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**SUBSTITUTE SENATE BILL 6351**

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**State of Washington**

**69th Legislature**

**2026 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Cortes, Krishnadasan, Conway, Dhingra, Frame, Hasegawa, Nobles, Pedersen, Saldaña, Stanford, Trudeau, Valdez, and C. Wilson)

READ FIRST TIME 03/02/26.

1 AN ACT Relating to increasing fiscal resources for students and  
2 children by providing targeted sales tax exemptions for schools and  
3 certain before-and-after school care programs and arts and cultural  
4 classes; amending RCW 82.04.050; creating a new section; and  
5 providing an effective date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 82.04.050 and 2025 c 422 s 101 are each amended to  
8 read as follows:

9 (1)(a) "Sale at retail" or "retail sale" means every sale of  
10 tangible personal property (including articles produced, fabricated,  
11 or imprinted) to all persons irrespective of the nature of their  
12 business and including, among others, without limiting the scope  
13 hereof, persons who install, repair, clean, alter, improve,  
14 construct, or decorate real or personal property of or for consumers  
15 other than a sale to a person who:

16 (i) Purchases for the purpose of resale as tangible personal  
17 property in the regular course of business without intervening use by  
18 such person, but a purchase for the purpose of resale by a regional  
19 transit authority under RCW 81.112.300 is not a sale for resale; or

20 (ii) Installs, repairs, cleans, alters, imprints, improves,  
21 constructs, or decorates real or personal property of or for

1 consumers, if such tangible personal property becomes an ingredient  
2 or component of such real or personal property without intervening  
3 use by such person; or

4 (iii) Purchases for the purpose of consuming the property  
5 purchased in producing for sale as a new article of tangible personal  
6 property or substance, of which such property becomes an ingredient  
7 or component or is a chemical used in processing, when the primary  
8 purpose of such chemical is to create a chemical reaction directly  
9 through contact with an ingredient of a new article being produced  
10 for sale; or

11 (iv) Purchases for the purpose of consuming the property  
12 purchased in producing ferrosilicon which is subsequently used in  
13 producing magnesium for sale, if the primary purpose of such property  
14 is to create a chemical reaction directly through contact with an  
15 ingredient of ferrosilicon; or

16 (v) Purchases for the purpose of providing the property to  
17 consumers as part of competitive telephone service, as defined in RCW  
18 82.04.065; or

19 (vi) Purchases for the purpose of satisfying the person's  
20 obligations under an extended warranty as defined in subsection (7)  
21 of this section, if such tangible personal property replaces or  
22 becomes an ingredient or component of property covered by the  
23 extended warranty without intervening use by such person.

24 (b) The term includes every sale of tangible personal property  
25 that is used or consumed or to be used or consumed in the performance  
26 of any activity defined as a "sale at retail" or "retail sale" even  
27 though such property is resold or used as provided in (a)(i) through  
28 (vi) of this subsection following such use.

29 (c) The term also means every sale of tangible personal property  
30 to persons engaged in any business that is taxable under RCW  
31 82.04.280(1) (a), (b), and (~~(g)~~) (f), 82.04.290, and 82.04.2908.

32 (2) The term "sale at retail" or "retail sale" includes the sale  
33 of or charge made for tangible personal property consumed and/or for  
34 labor and services rendered in respect to the following:

35 (a) The installing, repairing, cleaning, altering, imprinting, or  
36 improving of tangible personal property of or for consumers,  
37 including charges made for the mere use of facilities in respect  
38 thereto, but excluding charges made for the use of self-service  
39 laundry facilities, and also excluding sales of laundry service to

1 nonprofit health care facilities, and excluding services rendered in  
2 respect to live animals, birds and insects;

3 (b) The constructing, repairing, decorating, or improving of new  
4 or existing buildings or other structures under, upon, or above real  
5 property of or for consumers, including the installing or attaching  
6 of any article of tangible personal property therein or thereto,  
7 whether or not such personal property becomes a part of the realty by  
8 virtue of installation, and also includes the sale of services or  
9 charges made for the clearing of land and the moving of earth  
10 excepting the mere leveling of land used in commercial farming or  
11 agriculture;

12 (c) The constructing, repairing, or improving of any structure  
13 upon, above, or under any real property owned by an owner who conveys  
14 the property by title, possession, or any other means to the person  
15 performing such construction, repair, or improvement for the purpose  
16 of performing such construction, repair, or improvement and the  
17 property is then reconveyed by title, possession, or any other means  
18 to the original owner;

19 (d) The cleaning, fumigating, razing, or moving of existing  
20 buildings or structures, but does not include the charge made for  
21 janitorial services; and for purposes of this section the term  
22 "janitorial services" means those cleaning and caretaking services  
23 ordinarily performed by commercial janitor service businesses  
24 including, but not limited to, wall and window washing, floor  
25 cleaning and waxing, and the cleaning in place of rugs, drapes and  
26 upholstery. The term "janitorial services" does not include painting,  
27 papering, repairing, furnace or septic tank cleaning, snow removal or  
28 sandblasting;

29 (e) Automobile towing and similar automotive transportation  
30 services, but not in respect to those required to report and pay  
31 taxes under chapter 82.16 RCW;

32 (f) The furnishing of lodging and all other services by a hotel,  
33 rooming house, tourist court, motel, trailer camp, and the granting  
34 of any similar license to use real property, as distinguished from  
35 the renting or leasing of real property, and it is presumed that the  
36 occupancy of real property for a continuous period of one month or  
37 more constitutes a rental or lease of real property and not a mere  
38 license to use or enjoy the same. For the purposes of this  
39 subsection, it is presumed that the sale of and charge made for the  
40 furnishing of lodging for a continuous period of one month or more to

1 a person is a rental or lease of real property and not a mere license  
2 to enjoy the same. For the purposes of this section, it is presumed  
3 that the sale of and charge made for the furnishing of lodging  
4 offered regularly for public occupancy for periods of less than a  
5 month constitutes a license to use or enjoy the property subject to  
6 sales and use tax and not a rental or lease of property;

7 (g) The installing, repairing, altering, or improving of digital  
8 goods for consumers;

9 (h) Persons taxable under (a), (b), (c), (d), (e), (f), and (g)  
10 of this subsection when such sales or charges are for property, labor  
11 and services which are used or consumed in whole or in part by such  
12 persons in the performance of any activity defined as a "sale at  
13 retail" or "retail sale" even though such property, labor and  
14 services may be resold after such use or consumption. Nothing  
15 contained in this subsection may be construed to modify subsection  
16 (1) of this section and nothing contained in subsection (1) of this  
17 section may be construed to modify this subsection.

18 (3) The term "sale at retail" or "retail sale" includes the sale  
19 of or charge made for personal, business, or professional services  
20 including amounts designated as interest, rents, fees, admission, and  
21 other service emoluments however designated, received by persons  
22 engaging in the following business activities:

23 (a) Abstract, title insurance, and escrow services;

24 (b) Credit bureau services;

25 (c) Automobile parking and storage garage services;

26 (d) Landscape maintenance and horticultural services but  
27 excluding (i) horticultural services provided to farmers and (ii)  
28 pruning, trimming, repairing, removing, and clearing of trees and  
29 brush near electric transmission or distribution lines or equipment,  
30 if performed by or at the direction of an electric utility;

31 (e) Service charges associated with tickets to professional  
32 sporting events;

33 (f) The following personal services: Tanning salon services,  
34 tattoo parlor services, steam bath services, turkish bath services,  
35 escort services, and dating services;

36 (g) Information technology training services, technical support,  
37 and other services including, but not limited to, assisting with  
38 network operations and support, help desk services, in-person  
39 training related to hardware or software, network system support  
40 services, data entry services, and data processing services;

1 (h) Custom website development services. For the purposes of this  
2 subsection (3), "website development services" means the design,  
3 development, and support of a website provided by a website developer  
4 to a customer;

5 (i) Investigation, security services, security monitoring  
6 services, and armored car services including, but not limited to,  
7 background checks, security guard and patrol services, personal and  
8 event security, armored car transportation of cash and valuables, and  
9 security system services and monitoring. This does not include  
10 locksmith services;

11 (j) Temporary staffing services. For the purposes of this  
12 subsection (3), "temporary staffing services" means providing workers  
13 to other businesses, except for hospitals licensed under chapter  
14 70.41 or 71.12 RCW, for limited periods of time to supplement their  
15 workforce and fill employment vacancies on a contract or for fee  
16 basis;

17 (k) Advertising services. (i) For the purposes of this subsection  
18 (3), "advertising services" means all digital and nondigital services  
19 related to the creation, preparation, production, or dissemination of  
20 advertisements including, but not limited to:

21 (A) Layout, art direction, graphic design, mechanical  
22 preparation, production supervision, placement, referrals,  
23 acquisition of advertising space, and rendering advice concerning the  
24 best methods of advertising products or services; and

25 (B) Online referrals, search engine marketing((~~r~~)) and lead  
26 generation optimization, web campaign planning, the acquisition of  
27 advertising space in the internet media, and the monitoring and  
28 evaluation of website traffic for purposes of determining the  
29 effectiveness of an advertising campaign.

30 (ii) "Advertising services" do not include:

31 (A) Web hosting services and domain name registration;

32 (B) Services rendered in respect to the following:

33 (I) "Newspapers" as defined in RCW 82.04.214;

34 (II) Printing or publishing under RCW 82.04.280; and

35 (III) "Radio and television broadcasting" within this state as  
36 defined in RCW 82.04.281; and

37 (C) Services rendered in respect to out-of-home advertising,  
38 including: Billboard advertising; street furniture advertising;  
39 transit advertising; place-based advertising, such as in-store  
40 display advertising or point-of-sale advertising; dynamic or static

1 signage at live events; naming rights; and fixed signage advertising.  
2 Out-of-home advertising does not include direct mail;

3 (l)(i) Live presentations including, but not limited to,  
4 lectures, seminars, workshops, or courses where participants attend  
5 either in-person or via the internet or telecommunications equipment  
6 that allows audience members and the presenter or instructor to give,  
7 receive, and discuss information with each other in real time;

8 (ii) "Live presentations" does not include:

9 (A) Before-and-after school care programs. For the purposes of  
10 this subsection (3)(l), "before-and-after school care programs" means  
11 programs for school aged children that primarily occur before and  
12 after regular school hours and that provide educational or other  
13 enrichment activities including, but not limited to, athletics,  
14 tutoring, clubs, outdoor exploration, specialized skill building, and  
15 similar activities; and

16 (B) Programs provided by arts and cultural nonprofit  
17 organizations including, but not limited to, classes, seminars,  
18 rehearsals, workshops, or courses dedicated to promoting, providing,  
19 or supporting education in visual, performing, literary, or media  
20 arts to the general public. For the purposes of this subsection  
21 (3)(l), "arts and cultural nonprofit organization" means an  
22 organization exempt from tax under section 501(c)(3) of the federal  
23 internal revenue code whose purpose is to promote either the visual,  
24 performing, folk, and media arts, cultural expression and traditions,  
25 or both; and

26 (m)(i) Operating an athletic or fitness facility, including all  
27 charges for the use of such a facility or for any associated services  
28 and amenities, except as provided in (m)(ii) of this subsection.

29 (ii) Notwithstanding anything to the contrary in (m)(i) of this  
30 subsection (3), the term "sale at retail" and "retail sale" under  
31 this subsection does not include:

32 (A) Separately stated charges for the use of an athletic or  
33 fitness facility where such use is primarily for a purpose other than  
34 engaging in or receiving instruction in a physical fitness activity;

35 (B) Separately stated charges for the use of a discrete portion  
36 of an athletic or fitness facility, other than a pool, where such  
37 discrete portion of the facility does not by itself meet the  
38 definition of "athletic or fitness facility" in this subsection;

39 (C) Separately stated charges for services, such as massage,  
40 nutritional consulting, and body composition testing, that do not

1 require the customer to engage in physical fitness activities to  
2 receive the service. The exclusion in this subsection (3)(m)(ii)(C)  
3 does not apply to personal training services and instruction in a  
4 physical fitness activity;

5 (D) Separately stated charges for physical therapy provided by a  
6 physical therapist, as those terms are defined in RCW 18.74.010, or  
7 occupational therapy provided by an occupational therapy  
8 practitioner, as those terms are defined in RCW 18.59.020, when  
9 performed pursuant to a referral from an authorized health care  
10 practitioner or in consultation with an authorized health care  
11 practitioner. For the purposes of this subsection (3)(m)(ii)(D), an  
12 authorized health care practitioner means a health care practitioner  
13 licensed under chapter 18.83, 18.25, 18.36A, 18.57, 18.71, or 18.71A  
14 RCW, or, until July 1, 2022, chapter 18.57A RCW;

15 (E) Rent or association fees charged by a landlord or residential  
16 association to a tenant or residential owner with access to an  
17 athletic or fitness facility maintained by the landlord or  
18 residential association, unless the rent or fee varies depending on  
19 whether the tenant or owner has access to the facility;

20 (F) Services provided in the regular course of employment by an  
21 employee with access to an athletic or fitness facility maintained by  
22 the employer for use without charge by its employees or their family  
23 members;

24 (G) The provision of access to an athletic or fitness facility by  
25 an educational institution to its students and staff. However,  
26 charges made by an educational institution to its alumni or other  
27 members of the public for the use of any of the educational  
28 institution's athletic or fitness facilities are a retail sale under  
29 this subsection (3)(m). For purposes of this subsection  
30 (3)(m)(ii)(G), "educational institution" has the same meaning as in  
31 RCW 82.04.170;

32 (H) Yoga, chi gong, or martial arts classes, training, or events  
33 held at a community center, park, school gymnasium, college or  
34 university, hospital or other medical facility, private residence, or  
35 any other facility that is not operated within and as part of an  
36 athletic or fitness facility.

37 (iii) Nothing in (m)(ii) of this subsection (3) may be construed  
38 to affect the taxation of sales made by the operator of an athletic  
39 or fitness facility, where such sales are defined as a retail sale  
40 under any provision of this section other than this subsection (3).

1 (iv) For the purposes of this subsection (3)(m), the following  
2 definitions apply:

3 (A) "Athletic or fitness facility" means an indoor or outdoor  
4 facility or portion of a facility that is primarily used for:  
5 Exercise classes; strength and conditioning programs; personal  
6 training services; tennis, racquetball, handball, squash, or  
7 pickleball; or other activities requiring the use of exercise or  
8 strength training equipment, such as treadmills, elliptical machines,  
9 stair climbers, stationary cycles, rowing machines, pilates  
10 equipment, balls, climbing ropes, jump ropes, and weightlifting  
11 equipment.

12 (B) "Martial arts" means any of the various systems of training  
13 for physical combat or self-defense. "Martial arts" includes, but is  
14 not limited to, karate, kung fu, tae kwon do, Krav Maga, boxing,  
15 kickboxing, jujitsu, shootfighting, wrestling, aikido, judo, hapkido,  
16 Kendo, tai chi, and mixed martial arts.

17 (C) "Physical fitness activities" means activities that involve  
18 physical exertion for the purpose of improving or maintaining the  
19 general fitness, strength, flexibility, conditioning, or health of  
20 the participant. "Physical fitness activities" includes participating  
21 in yoga, chi gong, or martial arts.

22 For the purposes of (g) through (i) and (k) of this subsection  
23 (3), the terms "sale at retail" and "retail sale" do not include a  
24 sale between members of an affiliated group as defined in RCW  
25 82.04.299(1)(f).

26 (4)(a) The term also includes the renting or leasing of tangible  
27 personal property to consumers.

28 (b) The term does not include the renting or leasing of tangible  
29 personal property where the lease or rental is for the purpose of  
30 sublease or subrent.

31 (5) The term also includes the providing of "competitive  
32 telephone service," "telecommunications service," or "ancillary  
33 services," as those terms are defined in RCW 82.04.065, to consumers.

34 (6)(a) The term also includes the sale of prewritten computer  
35 software, custom software, and customization of prewritten computer  
36 software to a consumer, regardless of the method of delivery to the  
37 end user. For purposes of this subsection (6)(a), the sale of  
38 prewritten computer software includes the sale of or charge made for  
39 a key or an enabling or activation code, where the key or code is  
40 required to activate prewritten computer software and put the

1 software into use. There is no separate sale of the key or code from  
2 the prewritten computer software, regardless of how the sale may be  
3 characterized by the vendor or by the purchaser.

4 (b)(i) The term also includes the charge made to consumers for  
5 the right to access and use prewritten computer software, custom  
6 software, and customization of prewritten computer software, where  
7 possession of the software is maintained by the seller or a third  
8 party, regardless of whether the charge for the service is on a per  
9 use, per user, per license, subscription, or some other basis.

10 (ii)(A) The service described in (b)(i) of this subsection (6)  
11 includes the right to access and use prewritten computer software,  
12 custom software, and customization of prewritten computer software to  
13 perform data processing.

14 (B) For purposes of this subsection (6)(b)(ii), "data processing"  
15 means the systematic performance of operations on data to extract the  
16 required information in an appropriate form or to convert the data to  
17 usable information. Data processing includes check processing, image  
18 processing, form processing, survey processing, payroll processing,  
19 claim processing, and similar activities.

20 (7) The term also includes the sale of or charge made for an  
21 extended warranty to a consumer. For purposes of this subsection,  
22 "extended warranty" means an agreement for a specified duration to  
23 perform the replacement or repair of tangible personal property at no  
24 additional charge or a reduced charge for tangible personal property,  
25 labor, or both, or to provide indemnification for the replacement or  
26 repair of tangible personal property, based on the occurrence of  
27 specified events. The term "extended warranty" does not include an  
28 agreement, otherwise meeting the definition of extended warranty in  
29 this subsection, if no separate charge is made for the agreement and  
30 the value of the agreement is included in the sales price of the  
31 tangible personal property covered by the agreement. For purposes of  
32 this subsection, "sales price" has the same meaning as in RCW  
33 82.08.010.

34 (8)(a) The term also includes the following sales to consumers of  
35 digital goods, digital codes, and digital automated services:

36 (i) Sales in which the seller has granted the purchaser the right  
37 of permanent use;

38 (ii) Sales in which the seller has granted the purchaser a right  
39 of use that is less than permanent;

1 (iii) Sales in which the purchaser is not obligated to make  
2 continued payment as a condition of the sale; and

3 (iv) Sales in which the purchaser is obligated to make continued  
4 payment as a condition of the sale.

5 (b) A retail sale of digital goods, digital codes, or digital  
6 automated services under this subsection (8) includes any services  
7 provided by the seller exclusively in connection with the digital  
8 goods, digital codes, or digital automated services, whether or not a  
9 separate charge is made for such services.

10 (c) A retail sale of digital goods, digital codes, or digital  
11 automated services does not include the following services if the  
12 sale occurs between members of an affiliated group as defined in RCW  
13 82.04.299(1)(f) or is to an elementary school, secondary school,  
14 school district, or educational service district:

15 (i) Any service that primarily involves the application of human  
16 effort by the seller, and the human effort originated after the  
17 customer requested the service;

18 (ii) Live presentations, such as lectures, seminars, workshops,  
19 or courses, where participants are connected to other participants  
20 via the internet or telecommunications equipment, which allows  
21 audience members and the presenter or instructor to give, receive,  
22 and discuss information with each other in real time;

23 (iii) Advertising services. For purposes of this subsection  
24 (8)(c), "advertising services" means all services directly related to  
25 the creation, preparation, production, or dissemination of  
26 advertisements. Advertising services include layout, art direction,  
27 graphic design, mechanical preparation, production supervision,  
28 placement, and rendering advice to a client concerning the best  
29 methods of advertising that client's products or services.  
30 Advertising services also include online referrals, search engine  
31 marketing and lead generation optimization, web campaign planning,  
32 the acquisition of advertising space in the internet media, and the  
33 monitoring and evaluation of website traffic for purposes of  
34 determining the effectiveness of an advertising campaign. Advertising  
35 services do not include web hosting services and domain name  
36 registration; and

37 (iv) Data processing services. For purposes of this subsection  
38 (8)(c), "data processing service" means a primarily automated service  
39 provided to a business or other organization where the primary object  
40 of the service is the systematic performance of operations by the

1 service provider on data supplied in whole or in part by the customer  
2 to extract the required information in an appropriate form or to  
3 convert the data to usable information. Data processing services  
4 include check processing, image processing, form processing, survey  
5 processing, payroll processing, claim processing, and similar  
6 activities. Data processing does not include the service described in  
7 subsection (6)(b) of this section.

8 (d) For purposes of this subsection, "permanent" means perpetual  
9 or for an indefinite or unspecified length of time. A right of  
10 permanent use is presumed to have been granted unless the agreement  
11 between the seller and the purchaser specifies or the circumstances  
12 surrounding the transaction suggest or indicate that the right to use  
13 terminates on the occurrence of a condition subsequent.

14 (9) The term also includes the charge made for providing tangible  
15 personal property along with an operator for a fixed or indeterminate  
16 period of time. A consideration of this is that the operator is  
17 necessary for the tangible personal property to perform as designed.  
18 For the purpose of this subsection (9), an operator must do more than  
19 maintain, inspect, or set up the tangible personal property.

20 (10) The term does not include the sale of or charge made for  
21 labor and services rendered in respect to the building, repairing, or  
22 improving of any street, place, road, highway, easement, right-of-  
23 way, mass public transportation terminal or parking facility, bridge,  
24 tunnel, or trestle which is owned by a municipal corporation or  
25 political subdivision of the state or by the United States and which  
26 is used or to be used primarily for foot or vehicular traffic  
27 including mass transportation vehicles of any kind.

28 (11) The term also does not include sales of chemical sprays or  
29 washes to persons for the purpose of postharvest treatment of fruit  
30 for the prevention of scald, fungus, mold, or decay, nor does it  
31 include sales of feed, seed, seedlings, fertilizer, agents for  
32 enhanced pollination including insects such as bees, and spray  
33 materials to: (a) Persons who participate in the federal conservation  
34 reserve program, the environmental quality incentives program, the  
35 wetlands reserve program, and the wildlife habitat incentives  
36 program, or their successors administered by the United States  
37 department of agriculture; (b) farmers for the purpose of producing  
38 for sale any agricultural product; (c) farmers for the purpose of  
39 providing bee pollination services; and (d) farmers acting under  
40 cooperative habitat development or access contracts with an

1 organization exempt from federal income tax under 26 U.S.C. Sec.  
2 501(c)(3) of the federal internal revenue code or the Washington  
3 state department of fish and wildlife to produce or improve wildlife  
4 habitat on land that the farmer owns or leases.

5 (12) The term does not include the sale of or charge made for  
6 labor and services rendered in respect to the constructing,  
7 repairing, decorating, or improving of new or existing buildings or  
8 other structures under, upon, or above real property of or for the  
9 United States, any instrumentality thereof, or a county or city  
10 housing authority created pursuant to chapter 35.82 RCW, including  
11 the installing, or attaching of any article of tangible personal  
12 property therein or thereto, whether or not such personal property  
13 becomes a part of the realty by virtue of installation. Nor does the  
14 term include the sale of services or charges made for the clearing of  
15 land and the moving of earth of or for the United States, any  
16 instrumentality thereof, or a county or city housing authority. Nor  
17 does the term include the sale of services or charges made for  
18 cleaning up for the United States, or its instrumentalities,  
19 radioactive waste and other by-products of weapons production and  
20 nuclear research and development.

21 (13) The term does not include the sale of or charge made for  
22 labor, services, or tangible personal property pursuant to agreements  
23 providing maintenance services for bus, rail, or rail fixed guideway  
24 equipment when a regional transit authority is the recipient of the  
25 labor, services, or tangible personal property, and a transit agency,  
26 as defined in RCW 81.104.015, performs the labor or services.

27 (14) The term does not include the sale for resale of any service  
28 described in this section if the sale would otherwise constitute a  
29 "sale at retail" and "retail sale" under this section.

30 (15)(a) The term "sale at retail" or "retail sale" includes  
31 amounts charged, however labeled, to consumers to engage in any of  
32 the activities listed in this subsection (15)(a), including the  
33 furnishing of any associated equipment or, except as otherwise  
34 provided in this subsection, providing instruction in such  
35 activities, where such charges are not otherwise defined as a "sale  
36 at retail" or "retail sale" in this section:

37 (i)(A) Golf, including any variant in which either golf balls or  
38 golf clubs are used, such as miniature golf, hitting golf balls at a  
39 driving range, and golf simulators, and including fees charged by a  
40 golf course to a player for using his or her own cart. However,

1 charges for golf instruction are not a retail sale, provided that if  
2 the instruction involves the use of a golfing facility that would  
3 otherwise require the payment of a fee, such as green fees or driving  
4 range fees, such fees, including the applicable retail sales tax,  
5 must be separately identified and charged by the golfing facility  
6 operator to the instructor or the person receiving the instruction.

7 (B) Notwithstanding (a) (i) (A) of this subsection (15) and except  
8 as otherwise provided in this subsection (15) (a) (i) (B), the term  
9 "sale at retail" or "retail sale" does not include amounts charged to  
10 participate in, or conduct, a golf tournament or other competitive  
11 event. However, amounts paid by event participants to the golf  
12 facility operator are retail sales under this subsection (15) (a) (i).  
13 Likewise, amounts paid by the event organizer to the golf facility  
14 are retail sales under this subsection (15) (a) (i), if such amounts  
15 vary based on the number of event participants;

16 (ii) Ballooning, hang gliding, indoor or outdoor sky diving,  
17 paragliding, parasailing, and similar activities;

18 (iii) Air hockey, billiards, pool, foosball, darts, shuffleboard,  
19 ping pong, and similar games;

20 (iv) Access to amusement park, theme park, and water park  
21 facilities, including but not limited to charges for admission and  
22 locker or cabana rentals. Discrete charges for rides or other  
23 attractions or entertainment that are in addition to the charge for  
24 admission are not a retail sale under this subsection (15) (a) (iv).  
25 For the purposes of this subsection, an amusement park or theme park  
26 is a location that provides permanently affixed amusement rides,  
27 games, and other entertainment, but does not include parks or zoos  
28 for which the primary purpose is the exhibition of wildlife, or  
29 fairs, carnivals, and festivals as defined in (b) (i) of this  
30 subsection;

31 (v) Batting cage activities;

32 (vi) Bowling, but not including competitive events, except that  
33 amounts paid by the event participants to the bowling alley operator  
34 are retail sales under this subsection (15) (a) (vi). Likewise, amounts  
35 paid by the event organizer to the operator of the bowling alley are  
36 retail sales under this subsection (15) (a) (vi), if such amounts vary  
37 based on the number of event participants;

38 (vii) Climbing on artificial climbing structures, whether indoors  
39 or outdoors;

40 (viii) Day trips for sightseeing purposes;

1 (ix) Bungee jumping, zip lining, and riding inside a ball,  
2 whether inflatable or otherwise;

3 (x) Horseback riding offered to the public, where the seller  
4 furnishes the horse to the buyer and providing instruction is not the  
5 primary focus of the activity, including guided rides, but not  
6 including therapeutic horseback riding provided by an instructor  
7 certified by a nonprofit organization that offers national or  
8 international certification for therapeutic riding instructors;

9 (xi) Fishing, including providing access to private fishing areas  
10 and charter or guided fishing, except that fishing contests and  
11 license fees imposed by a government entity are not a retail sale  
12 under this subsection;

13 (xii) Guided hunting and hunting at game farms and shooting  
14 preserves, except that hunting contests and license fees imposed by a  
15 government entity are not a retail sale under this subsection;

16 (xiii) Swimming, but only in respect to (A) recreational or  
17 fitness swimming that is open to the public, such as open swim, lap  
18 swimming, and special events like kids night out and pool parties  
19 during open swim time, and (B) pool parties for private events, such  
20 as birthdays, family gatherings, and employee outings. Fees for  
21 swimming lessons, to participate in swim meets and other  
22 competitions, or to join a swim team, club, or aquatic facility are  
23 not retail sales under this subsection (15)(a)(xiii);

24 (xiv) Go-karting, bumper cars, and other motorized activities  
25 where the seller provides the vehicle and the premises where the  
26 buyer will operate the vehicle;

27 (xv) Indoor or outdoor playground activities, such as inflatable  
28 bounce structures and other inflatables; mazes; trampolines; slides;  
29 ball pits; games of tag, including laser tag and soft-dart tag; and  
30 human gyroscope rides, regardless of whether such activities occur at  
31 the seller's place of business, but not including playground  
32 activities provided for children by a licensed child day care center  
33 or licensed family day care provider as those terms are defined in  
34 RCW 43.216.010;

35 (xvi) Shooting sports and activities, such as target shooting,  
36 skeet, trap, sporting clays, "5" stand, and archery, but only in  
37 respect to discrete charges to members of the public to engage in  
38 these activities, but not including fees to enter a competitive  
39 event, instruction that is entirely or predominately classroom based,  
40 or to join or renew a membership at a club, range, or other facility;

1 (xvii) Paintball and airsoft activities;

2 (xviii) Skating, including ice skating, roller skating, and  
3 inline skating, but only in respect to discrete charges to members of  
4 the public to engage in skating activities, but not including skating  
5 lessons, competitive events, team activities, or fees to join or  
6 renew a membership at a skating facility, club, or other  
7 organization;

8 (xix) Nonmotorized snow sports and activities, such as downhill  
9 and cross-country skiing, snowboarding, ski jumping, sledding, snow  
10 tubing, snowshoeing, and similar snow sports and activities, whether  
11 engaged in outdoors or in an indoor facility with or without snow,  
12 but only in respect to discrete charges to the public for the use of  
13 land or facilities to engage in nonmotorized snow sports and  
14 activities, such as fees, however labeled, for the use of ski lifts  
15 and tows and daily or season passes for access to trails or other  
16 areas where nonmotorized snow sports and activities are conducted.  
17 However, fees for the following are not retail sales under this  
18 subsection (15) (a) (xix): (A) Instructional lessons; (B) permits  
19 issued by a governmental entity to park a vehicle on or access public  
20 lands; and (C) permits or leases granted by an owner of private  
21 timberland for recreational access to areas used primarily for  
22 growing and harvesting timber; and

23 (xx) Scuba diving; snorkeling; river rafting; surfing;  
24 kiteboarding; flyboarding; water slides; inflatables, such as water  
25 pillows, water trampolines, and water rollers; and similar water  
26 sports and activities.

27 (b) Notwithstanding anything to the contrary in this subsection  
28 (15), the term "sale at retail" or "retail sale" does not include  
29 charges:

30 (i) Made for admission to, and rides or attractions at, fairs,  
31 carnivals, and festivals. For the purposes of this subsection, fairs,  
32 carnivals, and festivals are events that do not exceed 21 days and a  
33 majority of the amusement rides, if any, are not affixed to real  
34 property;

35 (ii) Made by an educational institution to its students and staff  
36 for activities defined as retail sales by (a) (i) through (xx) of this  
37 subsection. However, charges made by an educational institution to  
38 its alumni or other members of the general public for these  
39 activities are a retail sale under this subsection (15). For purposes

1 of this subsection (15)(b)(ii), "educational institution" has the  
2 same meaning as in RCW 82.04.170;

3 (iii) Made by a vocational school for commercial diver training  
4 that is licensed by the workforce training and education coordinating  
5 board under chapter 28C.10 RCW; or

6 (iv) Made for day camps offered by a nonprofit organization or  
7 state or local governmental entity that provide youth not older than  
8 age 18, or that are focused on providing individuals with  
9 disabilities or mental illness, the opportunity to participate in a  
10 variety of supervised activities.

11 (16)(a) The term "sale at retail" or "retail sale" includes the  
12 purchase or acquisition of tangible personal property and specified  
13 services by a person who receives either a qualifying grant exempt  
14 from tax under RCW 82.04.767 or 82.16.320 or a grant deductible under  
15 RCW 82.04.4339, except for transactions excluded from the definition  
16 of "sale at retail" or "retail sale" by any other provision of this  
17 section. Nothing in this subsection (16) may be construed to limit  
18 the application of any other provision of this section to purchases  
19 by a recipient of either a qualifying grant exempt from tax under RCW  
20 82.04.767 or a grant deductible under RCW 82.04.4339, or by any other  
21 person.

22 (b) For purposes of this subsection (16), "specified services"  
23 means:

24 (i) The constructing, repairing, decorating, or improving of new  
25 or existing buildings or other structures under, upon, or above real  
26 property, including the installing or attaching of any article of  
27 tangible personal property therein or thereto, whether or not such  
28 personal property becomes a part of the realty by virtue of  
29 installation;

30 (ii) The clearing of land or the moving of earth, whether or not  
31 associated with activities described in (b)(i) of this subsection  
32 (16);

33 (iii) The razing or moving of existing buildings or structures;  
34 and

35 (iv) Landscape maintenance and horticultural services.

36 (17) The terms "sale at retail" and "retail sale" do not include  
37 the following services if the sale is to an elementary school,  
38 secondary school, school district, or educational service district:

39 (a) Services described in subsection (3)(g) through (l) of this  
40 section whether provided in person or transferred electronically; and

1        (b) Custom software and customization of prewritten computer  
2 software, regardless of method of delivery.

3        NEW SECTION.    **Sec. 2.**    RCW 82.32.805 and 82.32.808 do not apply  
4 to this act.

5        NEW SECTION.    **Sec. 3.**    This act takes effect July 1, 2026.

--- **END** ---