
SUBSTITUTE HOUSE BILL 1931

State of Washington 52nd Legislature 1991 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Brough, Grant, Brumsickle, Broback, Neher, Morris, Mielke, Cantwell, Chandler, Van Luven, D. Sommers, Holland, Wilson, Bowman, Mitchell, Ferguson, Wynne and Forner).

Read first time March 6, 1991.

1 AN ACT Relating to limits on raffles conducted by nonprofit
2 organizations; and amending RCW 9.46.110.

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

4 **Sec. 1.** RCW 9.46.110 and 1987 c 4 s 39 are each amended to read as
5 follows:

6 The legislative authority of any county, city-county, city, or
7 town, by local law and ordinance, and in accordance with the provisions
8 of this chapter and rules and regulations promulgated hereunder, may
9 provide for the taxing of any gambling activity authorized by this
10 chapter within its jurisdiction, the tax receipts to go to the county,
11 city-county, city, or town so taxing the same: PROVIDED, That any such
12 tax imposed by a county alone shall not apply to any gambling activity
13 within a city or town located therein but the tax rate established by
14 a county, if any, shall constitute the tax rate throughout the
15 unincorporated areas of such county: PROVIDED FURTHER, That (1) punch

1 boards and pull-tabs, chances on which shall only be sold to adults,
2 which shall have a fifty cent limit on a single chance thereon, shall
3 be taxed on a basis which shall reflect only the gross receipts from
4 such punch boards and pull-tabs; and (2) no punch board or pull-tab may
5 award as a prize upon a winning number or symbol being drawn the
6 opportunity of taking a chance upon any other punch board or pull-tab;
7 and (3) all prizes for punch boards and pull-tabs must be on display
8 within the immediate area of the premises wherein any such punch board
9 or pull-tab is located and upon a winning number or symbol being drawn,
10 such prize must be immediately removed therefrom, or such omission
11 shall be deemed a fraud for the purposes of this chapter; and (4) when
12 any person shall win over twenty dollars in money or merchandise from
13 any punch board or pull-tab, every licensee hereunder shall keep a
14 public record thereof for at least ninety days thereafter containing
15 such information as the commission shall deem necessary: AND PROVIDED
16 FURTHER, That taxation of bingo and raffles shall never be in an amount
17 greater than ten percent of the gross revenue received therefrom less
18 the amount paid for or as prizes. Taxation of amusement games shall
19 only be in an amount sufficient to pay the actual costs of enforcement
20 of the provisions of this chapter by the county, city or town law
21 enforcement agency and in no event shall such taxation exceed two
22 percent of the gross revenue therefrom less the amount paid for as
23 prizes: PROVIDED FURTHER, That no tax shall be imposed under the
24 authority of this chapter on bingo(~~(, raffles)~~) or amusement games when
25 such activities or any combination thereof are conducted by any bona
26 fide charitable or nonprofit organization as defined in this chapter,
27 which organization has no paid operating or management personnel and
28 has gross income from bingo(~~(, raffles)~~) or amusement games, or ~~((any))~~
29 a combination thereof, not exceeding five thousand dollars per year,
30 less the amount paid for as prizes. No tax shall be imposed on the

1 first ten thousand dollars of net proceeds from raffles conducted by
2 any bona fide charitable or nonprofit organization as defined in this
3 chapter. Taxation of punch boards and pull-tabs shall not exceed five
4 percent of gross receipts, nor shall taxation of social card games
5 exceed twenty percent of the gross revenue from such games.