

# HOUSE BILL REPORT

## SB 5290

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As Reported By House Committee On:  
Revenue

**Title:** An act relating to retail sales and use taxes.

**Brief Description:** Reducing the tax burden on free hospitals.

**Sponsors:** Senators Wojahn, Snyder, Moyer, Sellar, Bauer, McCaslin, Deccio, Vognild and Winsley.

**Brief History:**

Reported by House Committee on:  
Revenue, April 5, 1993, DP.

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### HOUSE COMMITTEE ON REVENUE

**Majority Report:** Do pass. Signed by 14 members: Representatives G. Fisher, Chair; Holm, Vice Chair; Foreman, Ranking Minority Member; Fuhrman, Assistant Ranking Minority Member; Anderson; Brown; Cothorn; Leonard; Morris; Romero; Silver; Talcott; Thibaudeau; and Van Luven.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Rust and Wang.

**Staff:** Rick Peterson (786-7150).

**Background:** Sales to hospitals of tangible goods which are used to operate the hospital or provide health care services are subject to retail and use taxes. Certain items, such as prescription drugs and prosthetic devices are currently exempt.

**Summary of Bill:** "Free hospitals" are defined as those which do not charge patients for health care. These hospitals are exempt from retail and use taxes on items sold to them for the reasonably necessary operation of and provision of health care.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** None.

**Testimony Against:** None.

**Witnesses:** None.