

HOUSE BILL REPORT

ESB 5667

As Passed House:
February 29, 2000

Title: An act relating to boxing, kickboxing, martial arts, and wrestling.

Brief Description: Increasing the number of untaxed complimentary tickets available for boxing, kickboxing, martial arts, and wrestling.

Sponsors: Senators West and Heavey.

Brief History:

Committee Activity:

Commerce & Labor: 2/17/00, 2/23/00 [DP].

Floor Activity:

Passed House: 2/29/00, 80-17.

Brief Summary of Engrossed Bill

- The percentage of complimentary tickets issued for wrestling, boxing, and martial arts events that are exempt from taxation is increased to 10 percent of total tickets sold, not to exceed 1,000 tickets.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 5 members: Representatives Clements, Republican Co-Chair; Conway, Democratic Co-Chair; B. Chandler, Republican Vice Chair; Wood, Democratic Vice Chair and McMorris.

Minority Report: Do not pass. Signed by 2 members: Representatives Hurst and McIntire.

Staff: Pam Madson (786-7166).

Background:

The Department of Licensing imposes a 5 percent tax on the gross receipts of ticket sales for some sporting events such as wrestling, boxing, and martial arts. Proceeds from this tax are deposited in the state general fund.

A percentage of complimentary tickets for these events are exempt from taxation. The percentage of exempt tickets is limited to 5 percent of the total tickets sold per event, but no more than 300 tickets. These complimentary tickets are often given away on radio programs and through contests to promote events.

The department has authority to supervise and control all boxing, wrestling and martial arts events to ensure the safety and welfare of the participants. The department also issues and may deny or revoke licenses to conduct events where an admission fee is charged.

Summary of Bill:

The percentage of complimentary tickets for events such as wrestling, boxing, and martial arts that are exempt from taxation is raised to 10 percent of the total tickets sold per event, not to exceed 1,000 tickets.

The department is given the authority to deny or revoke a license to conduct an event for cause which specifically includes concern for the safety and welfare of the participants.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The financial viability of convention centers depends on the ability to promote events. This bill will help the promotion of events such as boxing and wrestling.

Testimony Against: None.

Testified: Phil Watkins, Spokane Public Facilities District; Randy Lewis, city of Tacoma; and Mary Jelvik, Department of Licensing.