

FINAL BILL REPORT

SSB 6115

C 155 L 04

Synopsis as Enacted

Brief Description: Providing a use tax exemption for amusement and recreation services donated to or by nonprofit organizations or state or local governmental entities.

Sponsors: Senate Committee on Government Operations & Elections (originally sponsored by Senators Roach, Parlette, Hewitt, Mulliken, Honeyford, Schmidt, Johnson, Stevens, Sheahan, Hale, Winsley, Oke, Deccio, Haugen, Swecker, Finkbeiner, T. Sheldon, Prentice, Rasmussen, Fairley, Fraser, Kline, Eide, McCaslin, Shin and Benton).

Senate Committee on Government Operations & Elections **Senate Committee on Ways & Means**

Background: For the privilege of using any article of tangible personal property in the state as a consumer, there is levied and collected a use tax. The use tax also applies to services and property acquired at a casual or isolated sale, among other things. The rate of the use tax is the same as that for the state sales tax. The state portion of that rate is 6.5 percent and applies to the value of the article used or the value of the service used by the taxpayer.

There are many exemptions to the use tax. One of these exemptions applies to nonprofit charitable organizations and to state and local governments that use tangible personal property that has been donated to them.

Summary: A use tax exemption is created for amusement and recreation services donated to nonprofit organizations or state or local governments. "Amusement and recreation services" are golf, pool, billiards, skating, bowling, ski lifts and tows, day trips for sightseeing purposes, and others, when provided to consumers.

Votes on Final Passage:

Senate 45 0
House 94 1

Effective: March 26, 2004