
HOUSE BILL 2390

State of Washington

61st Legislature

2010 Regular Session

By Representatives Moeller, Chase, Appleton, Upthegrove, Hasegawa, and Ormsby

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1 AN ACT Relating to eliminating the business and occupation tax
2 deduction for initiation fees and dues received by for-profit
3 businesses; and amending RCW 82.04.4282.

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

5 **Sec. 1.** RCW 82.04.4282 and 1994 c 124 s 3 are each amended to read
6 as follows:

7 (1) In computing tax there may be deducted from the measure of tax
8 amounts derived from bona fide ~~((+1))~~ (a) initiation fees, ~~((+2))~~ (b)
9 dues, ~~((+3))~~ (c) contributions, ~~((+4))~~ (d) donations, ~~((+5))~~ (e)
10 tuition fees, ~~((+6))~~ (f) charges made by a nonprofit trade or
11 professional organization for attending or occupying space at a trade
12 show, convention, or educational seminar sponsored by the nonprofit
13 trade or professional organization, which trade show, convention, or
14 educational seminar is not open to the general public, ~~((+7))~~ (g)
15 charges made for operation of privately operated kindergartens, and
16 ~~((+8))~~ (h) endowment funds. This section shall not be construed to
17 exempt any person, association, or society from tax liability upon
18 selling tangible personal property or upon providing facilities or
19 services for which a special charge is made to members or others. If

1 dues are in exchange for any significant amount of goods or services
2 rendered by the recipient thereof to members without any additional
3 charge to the member, or if the dues are graduated upon the amount of
4 goods or services rendered, the value of such goods or services shall
5 not be considered as a deduction under this section.

6 (2) A person may not claim a deduction provided in subsection
7 (1)(a) or (b) of this section unless the person is organized as a
8 nonprofit organization, association, or corporation under Title 24 RCW.

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