
HOUSE BILL 1862

State of Washington

68th Legislature

2024 Regular Session

By Representatives Leavitt, Barnard, Tharinger, Graham, Couture, Duerr, Barkis, Bronoske, Slatter, Chapman, Simmons, Jacobsen, Timmons, Callan, Street, Sandlin, Donaghy, Doglio, Goodman, Caldier, Robertson, Hutchins, Reeves, Lekanoff, Riccelli, Hackney, Pollet, and Shavers

Prefiled 12/04/23. Read first time 01/08/24. Referred to Committee on Finance.

1 AN ACT Relating to providing tax exemptions for the assistance of
2 disabled veterans and members of the armed forces of the United
3 States of America; adding a new section to chapter 82.04 RCW; adding
4 a new section to chapter 82.08 RCW; creating a new section; providing
5 an effective date; and providing expiration dates.

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

7 NEW SECTION. **Sec. 1.** (1) This section is the tax preference
8 performance statement for the tax preference contained in sections 2
9 and 3, chapter . . ., Laws of 2024 (sections 2 and 3 of this act).
10 This performance statement is only intended to be used for subsequent
11 evaluation of the tax preference. It is not intended to create a
12 private right of action by any party or to be used to determine
13 eligibility for preferential tax treatment.

14 (2) The legislature categorizes this tax preference as one
15 intended to provide tax relief for certain businesses or individuals,
16 as indicated in RCW 82.32.808(2)(e).

17 (3) It is the legislature's specific public policy objective to
18 reduce the tax burden on individuals and businesses imposed by the
19 existing business and occupation tax rates.

20 (4) If the review finds that there is an increase of the
21 utilization of adaptive recreational and rehabilitation facilities by

1 disabled veterans and members of the armed forces of the United
2 States of America then the legislature intends to extend the
3 expiration date of this tax preference.

4 (5) In order to obtain the data necessary to perform the review
5 in subsection (4) of this section, the joint legislative audit and
6 review committee may refer to any data collected by the state.

7 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04
8 RCW to read as follows:

9 (1) This chapter does not apply to any amounts received as the
10 result of sales on a federal military reservation by a nonprofit
11 organization under Title 26 U.S.C. Sec. 501(c)(3) of the federal
12 internal revenue code of 1986, as amended, as of the effective date
13 of this section, that operates an adaptive recreational and
14 rehabilitation facility dedicated to the assistance of disabled
15 veterans and members of the armed forces of the United States of
16 America.

17 (2) For the purposes of this section, "adaptive recreational and
18 rehabilitation facility" means a facility that provides activity
19 modifications, assistive technologies, or other services to allow
20 people with disabilities to participate in recreational activities,
21 sports, or physical rehabilitation efforts.

22 (3) This section expires January 1, 2035.

23 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.08
24 RCW to read as follows:

25 (1) The tax levied by RCW 82.08.020 does not apply to sales made
26 on a federal military reservation by a nonprofit organization under
27 Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code
28 of 1986, as amended, as of the effective date of this section, that
29 operates an adaptive recreational and rehabilitation facility
30 dedicated to the assistance of disabled veterans and members of the
31 armed forces of the United States of America.

32 (2) For the purposes of this section, "adaptive recreational and
33 rehabilitation facility" means a facility that provides activity
34 modifications, assistive technologies, or other services to allow
35 people with disabilities to participate in recreational activities,
36 sports, or physical rehabilitation efforts.

37 (3) This section expires January 1, 2035.

1 NEW SECTION. **Sec. 4.** This act takes effect October 1, 2024.

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