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**HOUSE BILL 1148**

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**State of Washington 69th Legislature 2025 Regular Session**

**By** Representatives Schmidt, Leavitt, Shavers, Eslick, and Rule

AN ACT Relating to exempting goods and services provided by youth athletic facilities from sales and use tax; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; and creating new sections.

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

NEW SECTION. **Sec.**  The legislature finds that youth athletic facilities play a crucial role in promoting physical fitness, teamwork, and social development among young people. These facilities offer safe and structured environments for children to engage in sports and recreational activities, fostering healthier lifestyles and reducing the risks of childhood obesity and related health concerns.

The legislature finds that implementing a sales and use tax on youth athletic facility goods and services increases the financial burden on families and organizations that support youth sports. This could lead to reduced access to these essential facilities, particularly in underserved communities, where affordability is already a significant barrier.

The legislature finds that exempting goods and services provided by youth athletic facilities from sales and use taxes encourages the growth and maintenance of such facilities, supporting local economies by attracting tournaments, events, and visitors. These activities not only create revenue for surrounding businesses, including hotels, restaurants, and retail establishments, but they also position the state as a hub for sports tourism, driving economic activity and job creation.

Therefore, it is the intent of the legislature to exempt goods and services provided by youth athletic facilities from sales and use tax to ensure these vital community resources remain accessible and affordable for families, promote healthy lifestyles, and strengthen local economies.

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

(1) Beginning January 1, 2026, the tax levied by RCW 82.08.020 does not apply to sales made by a youth athletic facility.

(2) For the purposes of this section, "youth athletic facility" means an indoor or outdoor facility or portion of a facility that is primarily used for competitive youth sporting events for persons under the age of 18 and is run by a nonprofit organization exempt from federal income tax under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended, as of the effective date of this section.

NEW SECTION. **Sec.**  A new section is added to chapter 82.12 RCW to read as follows:

(1) Beginning January 1, 2026, this chapter does not apply with respect to the use of goods and services purchased from a youth athletic facility.

(2) For the purposes of this section, "youth athletic facility" means an indoor or outdoor facility or portion of a facility that is primarily used for competitive youth sporting events for persons under the age of 18 and is run by a nonprofit organization exempt from federal income tax under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended, as of the effective date of this section.

NEW SECTION. **Sec.**  RCW 82.32.805 and 82.32.808 do not apply to this act.

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