

RCW 82.12.225 Exemptions—Nonprofit fund-raising activities.

(1) The provisions of this chapter do not apply in respect to the use of any article of personal property, valued at less than twelve thousand dollars, purchased or received as a prize in a contest of chance, as defined in RCW 82.04.285, from a nonprofit organization or a library, if the gross income the nonprofit organization or library receives from the sale is exempt under RCW 82.04.3651.

(2) (a) Beginning December 2020, and each December thereafter, the department must adjust the value limit for the exemption under subsection (1) of this section by multiplying the current value limit for the exemption under subsection (1) of this section by the greater of one or one plus the percentage change in the consumer price index for the most recent twelve-month period available as of December 1st of the current calendar year, and rounding the result to the nearest ten dollars. If an adjustment under this subsection (2) would reduce the value limit for the exemption under subsection (1) of this section, the department may not adjust the value limit for use in the following year. The department must promptly publish the adjusted value limit for the next calendar year on its public website. Each adjusted value limit calculated under this subsection takes effect on the following January 1st.

(b) For purposes of this subsection (2):

(i) "Consumer price index" means the consumer price index for all urban consumers, all items, (CPI-U) for the Seattle area as calculated by the United States bureau of labor statistics or successor agency. If the United States bureau of labor statistics or successor agency ceases to calculate a CPI-U for the Seattle area, "consumer price index" means a successor index as determined by the department consistent with the purpose of this subsection (2); and

(ii) "Seattle area" means the geographic area sample that includes Seattle and surrounding areas. [2020 c 159 § 1; 2015 3rd sp.s. c 32 § 2; 2013 2nd sp.s. c 13 § 1402.]

Automatic expiration date and tax preference performance

statement exemption—2020 c 159: "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act." [2020 c 159 § 2.]

Tax preference performance statement—2015 3rd sp.s. c 32 § 2:

"(1) This section is the tax preference performance statement for the tax preference in section 2 of this act. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to accomplish a general purpose as indicated in RCW 82.32.808(2) (f).

(3) It is the legislature's specific public policy objective to provide use tax relief for individuals who support charitable activities by purchasing or winning articles of personal property from a nonprofit organization or library when the personal property is sales tax exempt.

(4) To measure the effectiveness of the exemption provided in this act in achieving the specific public policy objective described in [subsection] (3) of this section, the joint legislative audit and

review committee must evaluate this tax preference." [2015 3rd sp.s. c 32 § 1.]

Intent—2013 2nd sp.s. c 13: "It is the intent of part XIV of this act to provide use tax relief for individuals who support charitable activities by purchasing or winning articles of personal property from a nonprofit organization or library when the personal property is sales tax exempt. It is also the intent of the legislation to provide this tax preference in a fiscally responsible manner by capping the exemption for articles of personal property that are valued at ten thousand dollars or less." [2013 2nd sp.s. c 13 § 1401.]

Effective date—2013 2nd sp.s. c 13: See note following RCW 82.04.43393.