

# HOUSE BILL ANALYSIS

## SSB 5745

**Brief Description:** Reducing the tax on bingo and raffles.

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**Sponsors:** Senators Bauer and Honeyford

**Hearing:** April 1, 1999

### Brief Summary of Bill

- Reduces the maximum tax a local jurisdiction may impose on bingo and raffle receipts from 10 percent to 5 percent.
- Reduces the maximum rate as of January 1, 2000.

### BACKGROUND:

*Under current law a city, county, or town may tax bingo games and raffles at a rate not to exceed 10 percent of the gross receipts of the bingo game or raffle less the amount awarded as cash or merchandise prizes. Many of the local jurisdictions that tax bingo games and raffles, impose a tax at the maximum tax rate.*

### SUMMARY OF BILL:

*Beginning on January 1, 2000, the maximum tax rate that a local jurisdiction may impose on the gross receipts of bingo games and raffles is reduced from 10 percent to 5 percent.*

**RULES AUTHORITY:** The bill does not contain provisions addressing the rule making powers of an agency.

**FISCAL NOTE:** Available.

**EFFECTIVE DATE:** The bill takes effect *January 1, 2000*.