

SENATE BILL REPORT

SB 5745

As Reported By Senate Committee On:
Commerce, Trade, Housing & Financial Institutions, March 2, 1999

Title: An act relating to reducing the tax on bingo and raffles.

Brief Description: Reducing gambling taxes.

Sponsors: Senators Bauer, Honeyford, Wojahn, West and Long.

Brief History:

Committee Activity: Commerce, Trade, Housing & Financial Institutions: 2/25/99, 3/2/99 [DPS].

SENATE COMMITTEE ON COMMERCE, TRADE, HOUSING & FINANCIAL INSTITUTIONS

Majority Report: That Substitute Senate Bill No. 5745 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Shin, Vice Chair; Benton, Gardner, Hale, Heavey, Rasmussen, T. Sheldon, West and Winsley.

Staff: Catherine Mele (786-7470)

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. Not all local jurisdictions tax bingo games and raffles at the maximum tax rate.

Summary of Substitute 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.

Substitute Bill Compared to Original Bill: An effective date of January 1, 2000, is added.

Appropriation: None.

Fiscal Note: Available.

Effective Date: January 1, 2000.

Testimony For: The charities in this state are about our communities. Any tax dollars we save go back to our social service programs. There are not many alternatives to charitable fund raising in Washington State. Charities compete with many other gambling establishments. This is an emergency situation and the Legislature needs to take this step to save charitable social services. The Gambling Commission endorses this tax decrease.

Testimony Against: There were some who signed up against this bill but due to time constraints did not testify.

Testified: PRO: Robert L. Ransom, Cascade Bingo; Don Kaufman; Ric Newgard, WA Charitable and Civil Gaming Assn.; Nick Peck, Silver Buckle Rodeo Club; Ed Fleisher, Gambling Commission.