

Amusement and recreational services

Retail recreational services & athletic and fitness facilities

On January 1, 2016, changes in tax law take effect making it easier for these industries to understand how taxes apply to the activities they provide to consumers. The new law simplifies the taxation of recreational services and physical fitness services provided to consumers.

HB 1550, Chapter 169, Laws of 2015, amends RCW 82.04.050 and simplifies the taxation of “recreational services” and “athletic and fitness facilities.” If your business provides any of the recreational services listed as a retail sale in the bill, the activity and any income related to the activity are subject to retail sales tax and retailing B&O tax (unless an exclusion applies). If your business meets the definition of an “athletic or fitness facility” then most of the activities taking place at your facility are subject to retail sales tax and retailing B&O tax. **The Department strongly encourages taxpayers to review both the sections below on Recreational Services and Athletic and Fitness Facilities to determine their taxability.**

By distinguishing certain activities and facilities as subject to retail sales tax, the entire industry and consumers benefit from clarity. The links below will take you to more information on each topic:

[Recreational services at a glance](#)

[Athletic and fitness facilities](#)

[Martial arts \(effective October 19, 2017\)](#)

[Opportunity to dance](#)

[Non-profit youth organizations](#)

[Municipal facilities providing fitness and recreational activities](#)