

**RCW 82.04.285 Tax on contests of chance. (Effective until January 1, 2027.)** (1) Upon every person engaging within this state in the business of operating contests of chance; as to such persons, the amount of tax with respect to the business of operating contests of chance is equal to the gross income of the business derived from contests of chance multiplied by the rate of 1.5 percent.

(2) An additional tax is imposed on those persons subject to tax in subsection (1) of this section. The amount of the additional tax with respect to the business of operating contests of chance is equal to the gross income of the business derived from contests of chance multiplied by the rate of 0.2 percent through June 30, 2024, and 0.26 percent thereafter. The money collected under this subsection (2) shall be deposited in the problem gambling account created in RCW 41.05.751. This subsection does not apply to businesses operating contests of chance when the gross income from the operation of contests of chance is less than \$50,000 per year.

(3) (a) For the purpose of this section, "contests of chance" means any contests, games, gaming schemes, or gaming devices, other than the state lottery as defined in RCW 67.70.010, in which the outcome depends in a material degree upon an element of chance, notwithstanding that skill of the contestants may also be a factor in the outcome. The term includes social card games, bingo, raffle, and punchboard games, and pull-tabs as defined in chapter 9.46 RCW.

(b) The term does not include: (i) Race meet for the conduct of which a license must be secured from the Washington horse racing commission, (ii) "amusement game" as defined in RCW 9.46.0201, or (iii) any activity that is not subject to regulation by the gambling commission.

(4) "Gross income of the business" does not include the monetary value or actual cost of any prizes that are awarded, amounts paid to players for winning wagers, accrual of prizes for progressive jackpot contests, or repayment of amounts used to seed guaranteed progressive jackpot prizes. [2023 c 284 s 4; 2014 c 97 s 303; 2005 c 369 s 5.]

**Findings—Intent—Effective date—2023 c 284:** See notes following RCW 41.05.750.

**Findings—Intent—Severability—Effective date—2005 c 369:** See notes following RCW 41.05.750.

**RCW 82.04.285 Tax on contests of chance. (Effective January 1, 2027.)** (1) Upon every person engaging within this state in the business of operating contests of chance; as to such persons, the amount of tax with respect to the business of operating contests of chance is equal to the gross income of the business derived from contests of chance multiplied by the rate of 1.8 percent.

(2) An additional tax is imposed on those persons subject to tax in subsection (1) of this section. The amount of the additional tax with respect to the business of operating contests of chance is equal to the gross income of the business derived from contests of chance multiplied by the rate of 0.2 percent through June 30, 2024, and 0.26 percent thereafter. The money collected under this subsection (2) shall be deposited in the problem gambling account created in RCW 41.05.751. This subsection does not apply to businesses operating

contests of chance when the gross income from the operation of contests of chance is less than \$50,000 per year.

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(4) "Gross income of the business" does not include the monetary value or actual cost of any prizes that are awarded, amounts paid to players for winning wagers, accrual of prizes for progressive jackpot contests, or repayment of amounts used to seed guaranteed progressive jackpot prizes. [2025 c 420 s 108; 2023 c 284 s 4; 2014 c 97 s 303; 2005 c 369 s 5.]

**Effective date—2025 c 420 ss 101-108 and 110-112:** See note following RCW 82.04.230.

**Tax preference performance statement exemption—Automatic expiration date exemption—Necessity of act—2025 c 420:** See notes following RCW 82.04.230.

**Findings—Intent—Effective date—2023 c 284:** See notes following RCW 41.05.750.

**Findings—Intent—Severability—Effective date—2005 c 369:** See notes following RCW 41.05.750.