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**SENATE BILL 5890**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senator O'Ban

1 AN ACT Relating to providing tax exemptions for the assistance of  
2 disabled veterans and members of the armed forces of the United  
3 States of America; adding a new section to chapter 82.04 RCW; adding  
4 a new section to chapter 82.08 RCW; and creating new sections.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) This section is the tax preference  
7 performance statement for the tax preference contained in sections 2  
8 and 3, chapter . . ., Laws of 2019 (sections 2 and 3 of this act).  
9 This performance statement is only intended to be used for subsequent  
10 evaluation of the tax preference. It is not intended to create a  
11 private right of action by any party or to be used to determine  
12 eligibility for preferential tax treatment.

13 (2) The legislature categorizes this tax preference as one  
14 intended to provide tax relief for certain businesses or individuals,  
15 as indicated in RCW 82.32.808(2)(e).

16 (3) It is the legislature's specific public policy objective to  
17 reduce the tax burden on individuals and businesses imposed by the  
18 existing business and occupation tax rates.

19 (4) If the review finds that there is an increase of the  
20 utilization of adaptive recreational and rehabilitation facilities by  
21 disabled veterans and members of the armed forces of the United

1 States of America as a result of the relief from this tax preference,  
2 then the legislature intends to extend the expiration date of this  
3 tax preference.

4 (5) In order to obtain the data necessary to perform the review  
5 in subsection (4) of this section, the joint legislative audit and  
6 review committee may refer to any data collected by the state.

7 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04  
8 RCW to read as follows:

9 This chapter does not apply to any amounts received as the result  
10 of sales made on a federal military reservation by a nonprofit  
11 organization exempt from federal income tax under Title 26 U.S.C.  
12 Sec. 501(c)(3) of the federal internal revenue code of 1986, as  
13 amended, as of the effective date of this section, and which are in  
14 furtherance of the operation of an adaptive recreational and  
15 rehabilitation facility dedicated to the assistance of disabled  
16 veterans and members of the armed forces of the United States of  
17 America.

18 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.08  
19 RCW to read as follows:

20 The tax levied by RCW 82.08.020 does not apply to sales made on a  
21 federal military reservation by a nonprofit organization exempt from  
22 federal income tax under Title 26 U.S.C. Sec. 501(c)(3) of the  
23 federal internal revenue code of 1986, as amended, as of the  
24 effective date of this section, and which are in furtherance of the  
25 operation of an adaptive recreational and rehabilitation facility  
26 dedicated to the assistance of disabled veterans and members of the  
27 armed forces of the United States of America.

28 NEW SECTION. **Sec. 4.** The provisions of RCW 82.32.805(1)(a) do  
29 not apply to this act.

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