

BOXING AND WRESTLING TAX
RCW 67.08

Tax Base Gross receipts from boxing matches, wrestling exhibitions, and martial arts contests (RCW 67.08.050) or shows and closed circuit telecasts of such matches or exhibitions viewed within this state (RCW 67.08.055).

Tax Rate 5 percent (minimum of \$25)

Levied by State

Administration Department of Licensing (DOL). Event promoters must be licensed with DOL. After the event the promoter must file a statement with the DOL and report on the number of tickets sold, the ticket prices, and the gross proceeds. The tax payment must accompany the report.

Recent Collections (\$000)

<u>Fiscal Year</u>	<u>Collections</u>	<u>% Change</u>	<u>% of All State Taxes</u>
2006	\$73	20.0%	0.0%
2005	61	(12.9)	0.0
2004	70	(69.7)	0.0
2003	231	148.4	0.0
2002	93	116.3	0.0
2001	43	377.8	0.0
2000	9	-.-	0.0
1999	0	-.-	0.0
1998	0	-.-	0.0
1997	11	(50.0)	0.0

Distribution of Receipts State general fund.

- Exemptions (gross receipts subject to this tax are exempt from B&O tax (RCW 82.04.340))
- up to 10 percent of the total number of tickets sold (maximum of 1,000) may be provided on a complimentary basis with no tax due thereon;
 - matches held by public or private schools, colleges, and universities in which the participants are students;
 - amateur events promoted by nonprofit organizations for charitable purposes.

History

The tax was instituted in 1933 and there have been no changes in the rate. In 1976 the tax was extended to broadcasts of live events via simultaneous telecast or closed circuit television. In 1993 administration of the tax was transferred to the Department of Licensing, when the Professional Athletic Commission (which had succeeded the State Boxing Commission in 1989) was abolished.

Discussion/Major Issues

The boxing and wrestling tax is one of the smallest of all state taxes in terms of revenue production. The receipts fluctuate widely, depending upon the number of such events conducted within the state. The decline in collections in recent years may be at least partly attributable to increased availability of viewing such events on cable television directly from out-of-state venues.

Local admission taxes (also at a 5 percent rate) levied by cities and counties apply to boxing and wrestling events.