

Local Gambling Taxes

RCW 9.46.110

Tax Base Gross receipts derived by operators of gambling activities including:

- Punchboards
- Pull-tabs
- Bingo
- Raffles
- Amusement games
- Social card games

Taxable receipts from bingo, raffles, and amusement games are net of the amount paid as prizes.

Fund-raising activities of charitable and nonprofit organizations pursuant to RCW 9.46.0233 that involve games of chance are subject to these local taxes.

Tax exemptions may reduce the tax liability for this tax base. For more information, refer to RCW 9.46.291.

Tax Rate Maximum rates:

Type of Game	Tax Rate
Amusement games	2 percent of gross receipts minus prize amounts paid out
Punchboards and pull-tabs by nonprofit organizations	10 percent of gross receipts minus prize amounts paid out
Punchboards and pull-tabs as commercial stimulant	5 percent based on gross receipts, or 10 percent net of prize amounts paid
Bingo and raffles	5 percent of gross receipts minus prize amounts paid out
Social card games	20 percent of gross revenue

Maximum rates for taxes on fund-raising events are not specified in statute, but several jurisdictions tax such events at rates ranging from 1 to 10 percent.

Recent Collections (\$000)

Collections information may be available from cities, counties, or through the Washington State Auditor's Office, [Local Government Financial Reporting System](#).

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Distribution of Receipts	Receipts must be used by cities and counties for local gambling enforcement programs.
Levied by	Cities, towns, and counties. The county tax may apply only in the unincorporated area, regardless of whether or not cities or towns in the same county levy the tax.
Administration	Collection of these taxes is by local officials such as city clerks and the County Treasurer. Licensing and overall regulation of gambling activities are the responsibility of the State Gambling Commission.
History	<p>2000 The tax rate for bingo and raffles was reduced from 10 percent to 5 percent.</p> <p>1997 Differential punchboard and pull-tab rates were adopted.</p> <p>1984 The state tax on coin-operated pull-tab dispensing machines was repealed.</p> <p>1981 The 20 percent tax rate for social card games was adopted.</p> <p>1977 The maximum tax rate for amusement games was reduced to 2 percent and the current nonprofit exemption was enacted.</p> <p>1976 A state tax on coin-operated, pull-tab dispensing machines was enacted.</p> <p>1973 The current statute allowing local taxation of certain nonprofessional gambling activities was enacted after a 1972 constitutional amendment authorized these activities.</p> <p>1952 An earlier gambling tax was eliminated when slot machines were ruled to be an unconstitutional form of lottery.</p> <p>1947 State tax rates on gambling (slot) machine activity doubled.</p> <p>1941 Initial state tax on gambling (slot) machine activity with rates of 10 and 20 percent depending upon the operator's skill level.</p>