

RCW 84.36.050 Schools and colleges. The following property is exempt from taxation:

(1) Property owned or used by or for any nonprofit school or college in this state for educational purposes or cultural or art educational programs as defined in RCW 82.04.4328. Real property so exempt may not exceed four hundred acres including, but not limited to, buildings and grounds designed for the educational, athletic, or social programs of the institution, the housing of students, religious faculty, and the chief administrator, athletic buildings, and all other school or college facilities, the need for which would be nonexistent but for the presence of the school or college. The property must be principally designed to further the educational, athletic, or social functions of the college or school. If the property is leased, the benefit of the exemption must inure to such school or college.

(2) Real or personal property owned by a not-for-profit foundation that is established for the exclusive support of an institution of higher education, as defined in RCW 28B.10.016. If the property is leased to and used by the institution for college or campus purposes, it must be principally designed to further the educational, athletic, or social functions of the institution. The exemption is only available for property actively utilized by currently enrolled students. The benefit of the exemption must inure to the college.

(3) Subject to RCW 84.36.805(2)(a)(i), if the property exempt under subsection (1) or (2) of this section is used by an individual or organization not entitled to a property tax exemption, except as provided in this subsection, the exemption is nullified for the assessment year in which such use occurs. The exemption is not nullified as a result of any of the uses listed in (a) or (b) of this subsection or RCW 84.36.805(8):

(a) The property is used by students, alumni, faculty, staff, or other persons or entities in a manner consistent with the educational, social, or athletic programs, including property used for related administrative and support functions, of the school or college and not for pecuniary gain or to promote business activities. Notwithstanding the foregoing, the school or college may contract with and permit the use of school or college property by persons or entities to provide school or college-related programs or services including, but not limited to, the provision of food services to students, faculty, and staff, the operation of a bookstore on campus, and the provision to the school or college of maintenance, operational, or administrative services without nullifying the exemption; or

(b) The property is used for pecuniary gain or to promote business activities as authorized by RCW 84.36.805, such uses to be measured separately with respect to each specific portion of such property. If exempt property is used as a sports or educational camp or program taught, operated, or conducted by a faculty member who is required or permitted to do so as part of his or her compensation package, the days when the property is so used will not be considered to be days when the property is used for nonexempt purposes. [2014 c 99 s 9; 2006 c 226 s 2; 2001 c 126 s 2; 1984 c 220 s 5; 1973 2nd ex.s. c 40 s 4; 1971 ex.s. c 206 s 2; 1970 ex.s. c 55 s 1; 1961 c 15 s 84.36.050. Prior: 1955 c 196 s 7; prior: 1939 c 206 s 8, part; 1933 ex.s. c 19 s 1, part; 1933 c 115 s 1, part; 1929 c 126 s 1, part; 1925 ex.s. c 130 s 7, part; 1915 c 131 s 1, part; 1903 c 178 s 1, part; 1901 c 176 s 1, part; 1899 c 141 s 2, part; 1897 c 71 ss 1, 5, part;

1895 c 176 s 2, part; 1893 c 124 ss 1, 5, part; 1891 c 140 ss 1, 5, part; 1890 p 532 ss 1, 5, part; 1886 p 47 s 1, part; Code 1881 s 2829, part; 1871 p 37 s 4, part; 1869 p 176 s 4, part; 1867 p 61 s 2, part; 1854 p 331 s 2, part; RRS s 11111, part. Formerly RCW 84.40.010.]

Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99: See notes following RCW 84.36.020.

Findings—Intent—2006 c 226: "The legislature finds that independent nonprofit schools, colleges, and universities are vital educational resources to the state of Washington. For the state to be competitive in a global economy, all educational resources must be competitive and provide high quality programs and services for students.

The legislature recognizes that independent nonprofit schools, colleges, and universities are important economic drivers in their communities, and encourages institutions to support local communities, to provide public benefit, and to respond to community expectations that they share facilities, offer programs, and attract students on par with Washington's publicly owned institutions and out-of-state schools and colleges. Further, the legislature encourages innovative programs and educational opportunities, sustainable practices, and increased use of facilities so that operations of institutions can be more cost-effective.

The legislature wishes to remove barriers that discourage institutions from being more collaborative, that make it more difficult to provide high quality services and necessities to their students, and that discourage appropriate and beneficial use of institutional facilities by the broader community. To this end, the legislature seeks to provide consistent, predictable, and easily administrable rules for reference by the state department of revenue and schools and colleges." [2006 c 226 s 1.]

Application—2001 c 126: See note following RCW 84.36.040.

Effective date—1970 ex.s. c 55: "The effective date of this 1970 amendatory act is July 1, 1970." [1970 ex.s. c 55 s 14.]