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**HOUSE BILL 1248**

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**State of Washington 67th Legislature 2021 Regular Session**

**By** Representatives Orcutt, Caldier, Sutherland, and Young

AN ACT Relating to allowing leased land in a mobile home park or manufactured housing community to qualify for the senior, veteran, and persons with disabilities property tax exemption; adding a new section to chapter 84.36 RCW; creating new sections; and providing an expiration date.

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

NEW SECTION. **Sec.**  The legislature finds that many people live in a mobile or manufactured home they own, but lease the land on which the home is located. The legislature further finds that senior citizens, veterans, and persons with disabilities may qualify for a property tax exemption for their mobile or manufactured home while paying a higher property tax on the land in the form of rent. Therefore, the legislature intends for low-income senior citizens, veterans, and persons with disabilities who rent land in a mobile home park or manufactured housing community to benefit from the property tax exemption under RCW 84.36.381 as those who own land do.

NEW SECTION. **Sec.**  (1) This section is the tax preference performance statement for the tax preference contained in section 3, chapter . . ., Laws of 2021 (section 3 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

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

(3) It is the legislature's specific public policy objective to provide tax relief to senior citizens, persons with disabilities, and veterans who own a mobile or manufactured home and rent or lease space in a mobile home park or manufactured housing community.

(4) If a review finds that this tax preference provides tax relief as described in subsection (3) of this section, then the legislature intends to extend the expiration date of this preference.

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

NEW SECTION. **Sec.**  A new section is added to chapter 84.36 RCW to read as follows:

(1) A mobile home park or manufactured housing community is eligible for a partial property tax exemption if the landlord leases or rents a mobile home lot to a tenant who qualifies for an exemption from all or a portion of excess and regular real property taxes under RCW 84.36.381. The amount of the exemption is equal to the combined total amount of exemptions for each lot located in the mobile home park or manufactured housing community as calculated under subsection (2) of this section.

(2) The amount of exemption must be calculated separately for each lot. The exemption is calculated by applying the exemption the tenant qualifies for under RCW 84.36.381 (5) or (6) to a fraction of the property tax imposed on the mobile home park or manufactured housing community. The numerator of the fraction is one. The denominator of the fraction is the total number of lots in the mobile home park or manufactured housing community.

(3) For any year in which a landlord receives a partial property tax exemption under this section, the landlord must reduce the lease or rental amount for the tenant by an amount equal to the exemption attributed to the lot.

(4) When a tenant claims an exemption under RCW 84.36.381, the county assessor must calculate the amount of exemption for the mobile home park or manufactured housing community and notify the landlord. The notification must include the amount of the exemption attributed to the lot and state the requirement of the landlord to reduce the lease or rental amount for the lot by an equivalent amount.

(5) If the tenant granted an exemption under RCW 84.36.381 reports any change in status affecting the tenant's eligibility for the exemption as required under RCW 84.36.385, the mobile home park or manufactured housing community is subject to a pro rata portion of the taxes allocable to the remaining portion of the year after the date of the tenant's change in status.

(6) The definitions in RCW 59.20.030 apply to this chapter unless the context clearly requires otherwise.

NEW SECTION. **Sec.**  This act expires January 1, 2032.

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