
HOUSE BILL 1840

State of Washington 52nd Legislature 1991 Regular Session

By Representatives Winsley and Wang.

Read first time February 12, 1991. Referred to Committee on Revenue.

1 AN ACT Relating to property tax exemptions for senior citizens and
2 disabled persons; amending RCW 84.36.381; and creating a new section.

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

4 **Sec. 1.** RCW 84.36.381 and 1987 c 301 s 1 are each amended to read
5 as follows:

6 A person shall be exempt from any legal obligation to pay all or a
7 portion of the amount of excess and regular real property taxes due and
8 payable in the year following the year in which a claim is filed, and
9 thereafter, in accordance with the following:

10 (1) The property taxes must have been imposed upon a residence
11 which was occupied by the person claiming the exemption as a principal
12 place of residence as of January 1st of the year for which the
13 exemption is claimed: PROVIDED, That any person who sells, transfers,
14 or is displaced from his or her residence may transfer his or her
15 exemption status to a replacement residence, but no claimant shall

1 receive an exemption on more than one residence in any year: PROVIDED
2 FURTHER, That confinement of the person to a hospital or nursing home
3 shall not disqualify the claim of exemption if the residence is
4 temporarily unoccupied or if the residence is occupied by a spouse
5 and/or a person financially dependent on the claimant for support;

6 (2) The person claiming the exemption must have owned, at the time
7 of filing, in fee, as a life estate, or by contract purchase, the
8 residence on which the property taxes have been imposed or if the
9 person claiming the exemption lives in a cooperative housing
10 association, corporation, or partnership, such person must own a share
11 therein representing the unit or portion of the structure in which he
12 or she resides. For purposes of this subsection, a residence owned by
13 a marital community or owned by cotenants shall be deemed to be owned
14 by each spouse or cotenant, and any lease for life shall be deemed a
15 life estate;

16 (3) The person claiming the exemption must have been sixty-one
17 years of age or older on January 1st of the year in which the exemption
18 claim is filed, or must have been, at the time of filing, retired from
19 regular gainful employment by reason of physical disability: PROVIDED,
20 That any surviving spouse of a person who was receiving an exemption at
21 the time of the person's death shall qualify if the surviving spouse is
22 fifty-seven years of age or older and otherwise meets the requirements
23 of this section;

24 (4) The amount that the person shall be exempt from an obligation
25 to pay shall be calculated on the basis of combined disposable income,
26 as defined in RCW 84.36.383. If the person claiming the exemption was
27 retired for two months or more of the preceding year, the combined
28 disposable income of such person shall be calculated by multiplying the
29 average monthly combined disposable income of such person during the
30 months such person was retired by twelve.

1 (5) (a) A person who otherwise qualifies under this section and has
2 a combined disposable income of eighteen thousand dollars or less shall
3 be exempt from all excess property taxes; and

4 (b) (i) A person who otherwise qualifies under this section and has
5 a combined disposable income of fourteen thousand dollars or less but
6 greater than twelve thousand dollars shall be exempt from all regular
7 property taxes on the greater of twenty-four thousand dollars or thirty
8 percent of the valuation of his or her residence, but not to exceed
9 forty thousand dollars of the valuation of his or her residence; or

10 (ii) A person who otherwise qualifies under this section and has a
11 combined disposable income of twelve thousand dollars or less shall be
12 exempt from all regular property taxes on the greater of twenty-eight
13 thousand dollars or fifty percent of the valuation of his or her
14 residence.

15 (6) A person who would qualify for exemption under subsection (5)
16 of this section if disposable income of a cotenant were not considered,
17 is eligible for an exemption under this subsection. The amount of
18 exemption that would be allowed under subsection (5) of this section
19 shall be computed based solely on the disposable income of the
20 applicant. This amount shall be multiplied by the percentage that
21 represents the applicant's ownership interest in the residence. The
22 result is the amount of exemption allowed under this subsection.

23 NEW SECTION. Sec. 2. This act shall be effective for taxes
24 levied for collection in 1992 and thereafter.