

# SENATE BILL REPORT

## HB 1163

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As Reported By Senate Committee On:  
Ways & Means, April 3, 1995

**Title:** An act relating to tax exemption of public-owned property used by nonprofit organizations.

**Brief Description:** Providing a tax exemption for property used by nonprofit organizations for camping and recreational purposes.

**Sponsors:** Representatives Kremen, Goldsmith, Kessler, McMorris, Campbell, Basich, Thompson, Foreman, McMahan, Buck, Cooke, Mielke and Sheahan.

**Brief History:**

**Committee Activity:** Ways & Means: 4/3/95 [DP].

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Bauer, Cantu, Drew, Finkbeiner, Fraser, Gaspard, Hargrove, Hochstatter, Johnson, Long, McDonald, Pelz, Quigley, Roach, Sheldon, Snyder, Spanel, Strannigan, West and Winsley.

**Staff:** Terry Wilson (786-7715)

**Background:** Leasehold excise taxes are assessed on private entities that lease public property. Because property taxes are not assessed on public property, the leasehold excise tax is assessed "in lieu" of a property tax.

Property owned by nonprofit, nonsectarian organizations used for character-building, benevolent, protective, or rehabilitative social services directed at persons of all ages is exempt from property tax. When these nonprofit organizations lease public property they are exempt from the leasehold excise tax as long as the property is used for character-building, benevolent, protective, or rehabilitative social services. If the property is used for a different purpose, the leasehold excise tax applies.

**Summary of Bill:** A leasehold excise tax exemption is provided to nonprofit, nonsectarian organizations providing character-building, benevolent, protective, or rehabilitative social services directed at persons of all ages. The exemption applies to property used to provide organized and supervised recreational activities for disabled persons in a camp facility as well as for public recreational purposes.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** No one.