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SENATE BILL 5512

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State of Washington                      54th Legislature                      1995 Regular Session

By Senators Haugen, McCaslin, Quigley, Swecker and Rasmussen

Read first time 01/25/95. Referred to Committee on Ways & Means.

1            AN ACT Relating to property tax relief for senior citizens and  
2 persons retired by reason of physical disability; amending RCW  
3 84.36.383 and 84.36.383; creating a new section; providing a contingent  
4 effective date; and providing a contingent expiration date.

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

6            **Sec. 1.** RCW 84.36.383 and 1991 c 213 s 4 are each amended to read  
7 as follows:

8            As used in RCW 84.36.381 through 84.36.389, except where the  
9 context clearly indicates a different meaning:

10            (1) The term "residence" shall mean a single family dwelling unit  
11 whether such unit be separate or part of a multiunit dwelling,  
12 including the land on which such dwelling stands not to exceed one  
13 acre. The term shall also include a share ownership in a cooperative  
14 housing association, corporation, or partnership if the person claiming  
15 exemption can establish that his or her share represents the specific  
16 unit or portion of such structure in which he or she resides. The term  
17 shall also include a single family dwelling situated upon lands the fee  
18 of which is vested in the United States or any instrumentality thereof  
19 including an Indian tribe or in the state of Washington, and

1 notwithstanding the provisions of RCW 84.04.080(~~(7)~~) or 84.04.090 (~~(or~~  
2 ~~84.40.250)~~), such a residence shall be deemed real property.

3 (2) The term "real property" shall also include a mobile home which  
4 has substantially lost its identity as a mobile unit by virtue of its  
5 being fixed in location upon land owned or leased by the owner of the  
6 mobile home and placed on a foundation (posts or blocks) with fixed  
7 pipe, connections with sewer, water, or other utilities: PROVIDED,  
8 That a mobile home located on land leased by the owner of the mobile  
9 home shall be subject, for tax billing, payment, and collection  
10 purposes, only to the personal property provisions of chapter 84.56 RCW  
11 and RCW 84.60.040.

12 (3) The term "preceding calendar year" shall mean the calendar year  
13 preceding the year in which the claim for exemption is to be made.

14 (4) "Department" shall mean the state department of revenue.

15 (5) "Combined disposable income" means the disposable income of the  
16 person claiming the exemption, plus the disposable income of his or her  
17 spouse, and the disposable income of each cotenant occupying the  
18 residence for the preceding calendar year, less amounts paid by the  
19 person claiming the exemption or his or her spouse during the previous  
20 year for the treatment or care of either person received in the home or  
21 in a nursing home.

22 (6) "Disposable income" means adjusted gross income as defined in  
23 the federal internal revenue code, as amended prior to January 1, 1989,  
24 or such subsequent date as the director may provide by rule consistent  
25 with the purpose of this section, plus all of the following items to  
26 the extent they are not included in or have been deducted from adjusted  
27 gross income:

28 (a) Capital gains, other than nonrecognized gain on the sale of a  
29 principal residence under section 1034 of the federal internal revenue  
30 code, or gain excluded from income under section 121 of the federal  
31 internal revenue code to the extent it is reinvested in a new principal  
32 residence;

33 (b) Amounts deducted for loss;

34 (c) Amounts deducted for depreciation;

35 (d) Pension and annuity receipts;

36 (e) Military pay and benefits other than attendant-care and  
37 medical-aid payments;

38 (f) Veterans benefits other than attendant-care and medical-aid  
39 payments;

- 1 (g) Federal social security act and railroad retirement benefits;  
2 (h) Dividend receipts; and  
3 (i) Interest received on state and municipal bonds.

4 "Disposable income" does not include a one-time withdrawal from a  
5 pension or other retirement plan which does not represent continuing  
6 income payments.

7 (7) "Cotenant" means a person who resides with the person claiming  
8 the exemption and who has an ownership interest in the residence.

9 **Sec. 2.** RCW 84.36.383 and 1994 sp.s. c 8 s 2 are each amended to  
10 read as follows:

11 As used in RCW 84.36.381 through 84.36.389, except where the  
12 context clearly indicates a different meaning:

13 (1) The term "residence" shall mean a single family dwelling unit  
14 whether such unit be separate or part of a multiunit dwelling,  
15 including the land on which such dwelling stands not to exceed one  
16 acre. The term shall also include a share ownership in a cooperative  
17 housing association, corporation, or partnership if the person claiming  
18 exemption can establish that his or her share represents the specific  
19 unit or portion of such structure in which he or she resides. The term  
20 shall also include a single family dwelling situated upon lands the fee  
21 of which is vested in the United States or any instrumentality thereof  
22 including an Indian tribe or in the state of Washington, and  
23 notwithstanding the provisions of RCW 84.04.080 and 84.04.090, such a  
24 residence shall be deemed real property.

25 (2) The term "real property" shall also include a mobile home which  
26 has substantially lost its identity as a mobile unit by virtue of its  
27 being fixed in location upon land owned or leased by the owner of the  
28 mobile home and placed on a foundation (posts or blocks) with fixed  
29 pipe, connections with sewer, water, or other utilities: PROVIDED,  
30 That a mobile home located on land leased by the owner of the mobile  
31 home shall be subject, for tax billing, payment, and collection  
32 purposes, only to the personal property provisions of chapter 84.56 RCW  
33 and RCW 84.60.040.

34 (3) "Department" shall mean the state department of revenue.

35 (4) "Combined disposable income" means the disposable income of the  
36 person claiming the exemption, plus the disposable income of his or her  
37 spouse, and the disposable income of each cotenant occupying the  
38 residence for the assessment year, less amounts paid by the person

1 claiming the exemption or his or her spouse during the assessment year  
2 for the treatment or care of either person received in the home or in  
3 a nursing home.

4 (5) "Disposable income" means adjusted gross income as defined in  
5 the federal internal revenue code, as amended prior to January 1, 1989,  
6 or such subsequent date as the director may provide by rule consistent  
7 with the purpose of this section, plus all of the following items to  
8 the extent they are not included in or have been deducted from adjusted  
9 gross income:

10 (a) Capital gains, other than nonrecognized gain on the sale of a  
11 principal residence under section 1034 of the federal internal revenue  
12 code, or gain excluded from income under section 121 of the federal  
13 internal revenue code to the extent it is reinvested in a new principal  
14 residence;

15 (b) Amounts deducted for loss;

16 (c) Amounts deducted for depreciation;

17 (d) Pension and annuity receipts;

18 (e) Military pay and benefits other than attendant-care and  
19 medical-aid payments;

20 (f) Veterans benefits other than attendant-care and medical-aid  
21 payments;

22 (g) Federal social security act and railroad retirement benefits;

23 (h) Dividend receipts; and

24 (i) Interest received on state and municipal bonds.

25 "Disposable income" does not include a one-time withdrawal from a  
26 pension or other retirement plan which does not represent continuing  
27 income payments.

28 (6) "Cotenant" means a person who resides with the person claiming  
29 the exemption and who has an ownership interest in the residence.

30 NEW SECTION. Sec. 3. Section 2 of this act shall take effect on  
31 the effective date of chapter 8, Laws of 1994 sp. sess. and shall apply  
32 to taxes levied for collection in the following year and thereafter.

33 NEW SECTION. Sec. 4. Section 1 of this act shall expire on the  
34 effective date of chapter 8, Laws of 1994 sp. sess.

1        NEW SECTION.    **Sec. 5.**    Section 1 of this act applies to taxes  
2    levied in 1995 for collection in 1996 and thereafter.

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