
SENATE BILL 5844

State of Washington

54th Legislature

1995 Regular Session

By Senators Franklin and Winsley

Read first time 02/09/95. Referred to Committee on Ways & Means.

1 AN ACT Relating to the tax exemption 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)~~) (c) Pension and annuity receipts;

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

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

1 (~~(g)~~) ~~Federal social security act and railroad retirement benefits;~~
2 (~~h~~)) (f) Dividend receipts; and
3 (~~(i)~~) (g) Interest received on state and municipal bonds.
4 (7) "Cotenant" means a person who resides with the person claiming
5 the exemption and who has an ownership interest in the residence.

6 **Sec. 2.** RCW 84.36.383 and 1994 sp.s. c 8 s 2 are each amended to
7 read 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
20 notwithstanding the provisions of RCW 84.04.080 and 84.04.090, such a
21 residence shall be deemed real property.

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

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

32 (4) "Combined disposable income" means the disposable income of the
33 person claiming the exemption, plus the disposable income of his or her
34 spouse, and the disposable income of each cotenant occupying the
35 residence for the assessment year, less amounts paid by the person
36 claiming the exemption or his or her spouse during the assessment year
37 for the treatment or care of either person received in the home or in
38 a nursing home.

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

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

12 (~~(b)~~) (~~Amounts deducted for loss;~~
13 (~~e~~)) Amounts deducted for depreciation;

14 (~~(d)~~) (c) Pension and annuity receipts;

15 (~~(e)~~) (d) Military pay and benefits other than attendant-care and
16 medical-aid payments;

17 (~~(f)~~) (e) Veterans benefits other than attendant-care and
18 medical-aid payments;

19 (~~(g) Federal social security act and railroad retirement benefits;~~
20 (~~h~~)) (f) Dividend receipts; and

21 (~~(i)~~) (g) Interest received on state and municipal bonds.

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

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

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

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

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