

SENATE BILL REPORT

SB 5946

As Reported By Senate Committee On:
Health & Long-Term Care, January 23, 1998

Title: An act relating to property tax exemptions for persons confined in adult family homes and certain boarding homes.

Brief Description: Revising property tax exemptions for persons confined in adult family homes and certain boarding homes.

Sponsors: Senators Anderson, Deccio, McCaslin, Long, Oke, Johnson, Stevens and Schow.

Brief History:

Committee Activity: Health & Long-Term Care: 3/3/97, 3/4/97 [DP-WM]; 1/23/98 [DP].
Ways & Means: 3/7/97 [DP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Deccio, Chair; Wood, Vice Chair; Benton and Strannigan.

Staff: Rhoda Jones (786-7198)

Background: Certain senior citizens and disabled retirees are entitled to property tax relief in the form of exemptions and deferrals of taxes on their principal residences. To qualify, a person must be age 61 in the year of application or retired from employment because of a physical disability, own his or her principal residence, and have a disposable income of less than \$28,000 a year. Persons meeting these criteria are entitled to a partial property tax exemption.

Disposable income is defined as the sum of federally defined adjusted gross income and the following, if not already included: capital gains; deductions for loss; depreciation; pensions and annuities; military pay and benefits; veterans' benefits; Social Security and federal railroad retirement benefits; dividends; and interest income. Payments for the care of either spouse received in the home or in a nursing home, and payments for prescription drugs are deducted in determining disposable income.

A person's confinement to a hospital or nursing home does not affect eligibility for the property tax relief program if the residence is temporarily occupied, is occupied by a spouse or other person financially dependent upon the confined person; or is rented for the purpose of paying the costs of a nursing home or hospital stay.

Summary of Bill: Individual property tax exemptions for seniors and disabled retirees are expanded to include residents of adult family homes, and those living in boarding homes under contract with the Department of Social and Health Services to provide assisted living services or enhanced adult residential care.

Appropriation: None.

Fiscal Note: Available

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This exemption should apply to people living in all boarding homes, not just the ones described in this bill.

Testimony Against: None.

Testified: Jerry Reilly, WHCA (pro).