

SENATE BILL REPORT

SB 6113

As Passed Senate, February 11, 1998

Title: An act relating to the property tax exemption for nonprofit organizations providing medical research or training of medical personnel.

Brief Description: Exempting from taxation property of nonprofit organizations providing medical research or training of medical personnel.

Sponsors: Senators Wood, West, Thibaudeau, Kohl, Long and Rasmussen.

Brief History:

Committee Activity: Ways & Means: 2/4/98, 2/5/98 [DP].
Passed Senate, 2/11/98, 42-0.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators West, Chair; Deccio, Vice Chair; Strannigan, Vice Chair; Bauer, Brown, Fraser, Hochstatter, Kohl, Long, Loveland, McDonald, Rossi, B. Sheldon, Snyder, Spanel, Swecker, Thibaudeau, Winsley and Zarelli.

Staff: Terry Wilson (786-7433)

Background: All property in this state is subject to the property tax each year based on the property's value unless a specific exemption is provided by law. The state Constitution exempts public property but allows the Legislature to exempt other property from taxation.

Major property tax exemptions for nonprofit organizations include churches, nonprofit hospitals, nursing homes, homes for the aging, blood banks, the Red Cross, private schools and colleges, sheltered workshops, day care centers, assembly halls and meeting places, libraries, and youth organizations.

All real or personal property owned by a nonprofit corporation or association which is available without charge for research by or training of medical or hospital personnel or used for medical research which is available without cost to the public is exempt from property tax.

Summary of Bill: All real or personal property used by a nonprofit corporation or association which is available without charge for research by or training of medical or hospital personnel or used for medical research which is available without cost to the public is exempt from property tax.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: This bill has a significant impact on the Fred Hutchinson Cancer Research Center. We had to sell a building and lease it back while a building is being built. This affects the research that can be done.

Testimony Against: None.

Testified: Karen Lane, Randy Main, Fred Hutchinson Cancer Research Center (pro).

House Amendment(s): For leased property, the benefit of the exemption must inure to the nonprofit corporation or association.