

# SENATE BILL REPORT

## SB 6533

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As Reported By Senate Committee On:  
Ways & Means, January 29, 1998

**Title:** An act relating to property tax exemptions for senior citizens and persons retired for reasons of physical disability.

**Brief Description:** Providing property tax exemptions for senior citizens and persons retired for reasons of physical disability.

**Sponsors:** Senators Strannigan, Anderson, Long, Schow, Wood, Finkbeiner, Benton, Roach, West, Stevens, Winsley, Hale, Oke, Patterson and Heavey.

**Brief History:**

**Committee Activity:** Ways & Means: 1/28/98, 1/29/98 [DPS].

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** That Substitute Senate Bill No. 6533 be substituted therefor, and the substitute bill do pass.

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

**Staff:** Terry Wilson (786-7433)

**Background:** Senior citizens and persons who are retired from regular employment because of physical disability are eligible for property tax relief on their personal residences.

If the person is at least 60 years old or is retired from regular employment because of physical disability, and the person's disposable household income is \$34,000 or less, the person is entitled to defer any property taxes and special benefit assessments imposed on the property.

If the person is at least 62 years old or is retired from regular employment because of physical disability, and the person's disposable household income is \$28,000 or less, the person is also entitled to a limit on the value of the residence and a partial property tax exemption. Application can be made in the year the person reaches the age of 61.

The valuation of the residence is frozen at the assessed value of the residence on the later of January 1, 1995, or January 1 of the year the person first qualified for the program, but the valuation cannot exceed the market value on January 1 of the assessment year.

The partial property tax exemption and the qualifying income limits are summarized in the following table.

<b>\$18,001 to \$28,000</b>	Exempt	No exemption
<b>\$15,001 to \$18,000</b>	Exempt	\$30,000 or 30% of value exempt (\$50,000 maximum)
<b>\$15,000 or less</b>	Exempt	\$34,000 or 50% of value exempt

**Summary of Substitute Bill:** The income levels for eligibility for the exemption program and the exemption amounts are increased according to the following table.


The bill applies to taxes payable in 1999 and thereafter.

**Substitute Bill Compared to Original Bill:** The original bill did not increase the exemption amounts.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** No one.