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HOUSE BILL 3005

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State of Washington

55th Legislature

1998 Regular Session

By Representatives O'Brien, Cairnes, Wood, Cooper, Scott, Dyer, Sterk, Skinner, Zellinsky, Butler, Conway, Anderson, Cole, Costa and Thompson

Read first time 01/27/98. Referred to Committee on Finance.

1 AN ACT Relating to expanding property tax exemptions for veteran  
2 senior citizens and persons retired by reason of physical disability;  
3 amending RCW 84.36.383; and creating a new section.

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

5 **Sec. 1.** RCW 84.36.383 and 1995 1st sp.s. c 8 s 2 are each amended  
6 to read as follows:

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

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

1 notwithstanding the provisions of RCW 84.04.080 and 84.04.090, such a  
2 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) "Department" shall mean the state department of revenue.

13 (4) "Combined disposable income" means the disposable income of the  
14 person claiming the exemption, plus the disposable income of his or her  
15 spouse, and the disposable income of each cotenant occupying the  
16 residence for the assessment year, less amounts paid by the person  
17 claiming the exemption or his or her spouse during the assessment year  
18 for:

19 (a) Drugs supplied by prescription of a medical practitioner  
20 authorized by the laws of this state or another jurisdiction to issue  
21 prescriptions; and

22 (b) The treatment or care of either person received in the home or  
23 in a nursing home.

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

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

35 (b) Amounts deducted for loss;

36 (c) Amounts deducted for depreciation;

37 (d) Pension and annuity receipts;

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

1 (f) Veterans benefits other than attendant-care and medical-aid  
2 payments and benefits paid because of status as a disabled veteran;  
3 (g) Federal social security act and railroad retirement benefits;  
4 (h) Dividend receipts; and  
5 (i) Interest received on state and municipal bonds.  
6 (6) "Cotenant" means a person who resides with the person claiming  
7 the exemption and who has an ownership interest in the residence.

8 NEW SECTION. **Sec. 2.** This act applies to taxes levied for  
9 collection in 1999 and thereafter.

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