

5743

Sponsor(s): Senators Wood, Kohl, Hale and Kline; by request of Department of Revenue

Brief Title: Creating a leasehold excise tax exemption for organizations qualified under section 501(c)(3) of the internal revenue code that provide student housing.

SB 5743 - DIGEST

(AS OF SENATE 2ND READING 3/11/97)

Declares that all leasehold interests granted by a public college or university to a nonprofit organization, association, or corporation for a nominal amount of rent determined without reference to fair market value, in connection with the construction or renovation of housing for students to the extent that the housing is subleased to: (1) Students who attend the public college or university; and

(2) resident managers or managers required by the college or university to live in the housing under the contract between the public college or university and the nonprofit organization, association, or corporation.

Requires that, to receive this exemption, the nonprofit organization, association, or corporation must be qualified for exemption under section 501(c) (3) of the internal revenue code of 1986, 26 U.S.C. Sec. 501(c) (3).