

# HB 1031

## Bill Analysis

January 21, 1999

**Brief Description:** Exempting community radio stations from property taxation.

**Bill Sponsors:** Representatives Radcliff and Dunshee.

**Staff:** Linda Brooks (786-7153).

**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.

Several property tax exemptions exist for nonprofit organizations. Some exemptions apply only to property owned by a nonprofit organization, and other exemptions apply to property either owned or leased by a nonprofit. Examples of some nonprofit property tax exemptions are:

### Property Tax Exemptions for Nonprofit Organizations

#### Exempt on Owned Property Only

- Character Building, Benevolent, Protective or Rehabilitative Social Service Organizations
- Churches and Church Camps
- Youth Character Building Organizations
- War Veterans' Organizations
- Water Distribution Property
- Nonprofit Nature Conservancy Organization
- Public Assembly Halls
- Medical Research or Training facilities
- Art, Scientific, or Historical Collections
- Sheltered Workshops
- Fair Associations
- Humane Societies

#### Exempt on Owned or Leased Property

- Free Public Libraries
- Orphanages
- Nursing Homes
- Hospitals
- Homes for the Aging
- Schools and Colleges
- Day Care Centers
- Radio/TV Rebroadcast Facilities
- Performing Arts Properties
- Homeless Shelters
- Outpatient Dialysis Facilities
- Blood Banks

**Summary of Bill:** All real or personal property owned and used by certain nonprofit community public radio stations is exempt from property tax. A community public radio station owner must be someone other than a governmental entity or an educational institution in order to qualify for the exemption. The station must also hold a noncommercial FM broadcast license granted under federal regulations only to nonprofit educational organizations for the advancement of educational programs. A station holding one of these licenses may transmit programs directed to specific schools or school systems and educational, cultural, and entertainment programs to the public.

In order to qualify for the exemption, the community public radio station must also meet certain other nonprofit standards regarding compensation paid to officers, liquidation of assets, and other matters.

This property tax exemption applies to taxes levied in 2000 or thereafter.

**Appropriation:** None.

**Fiscal Note:** Available.

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