FINAL BILL REPORT
SHB 1969

C 356 L 99
Synopsis as Enacted

Brief Description: Exempting real property that will be developed by nonprofit organizations to provide homes for the aging.

Sponsors: By House Committee on Finance (Originally sponsored by Representatives McIntire, Benson, Dunshee, Tokuda, Schual-Berke, Eickmeyer, Scott, Kenney, Dunn, Rockefeller, Conway, Poulsen, Veloria, D. Schmidt, Cody, Ruderman, O'Brien, Edmonds, Lantz, Regala, Murray, Lovick, Santos, Kagi, Haigh and Kessler).

House Committee on Economic Development, Housing & Trade
House Committee on Finance
Senate Committee on Health & Long-Term Care
Senate Committee on Ways & Means

Background:

Nonprofit homes for the aging are residential housing facilities for persons at least 62 years of age. These nonprofit homes are eligible for a property tax exemption. Some nonprofit homes for the aging receive a full exemption and others receive a partial exemption. The exemption amount is determined by a two-part formula.
The first part of the formula fully exempts nonprofit homes for the aging that are subsidized under a Federal Housing and Urban Development program or that received tax exempt bond financing requiring a set-aside for low income residents. It also fully exempts nonprofit homes for the aging with at least 50 percent of the occupied dwelling units occupied by households with incomes below $22,000 or 80 percent of the county median family income level.

The second part of the formula provides a partial property tax exemption for the homes that do not qualify for a full exemption. The percent of the property that is exempt is equal to the percentage of dwelling units occupied by persons that require assistance with activities of daily living plus the units occupied by persons with incomes below $22,000 or 80 percent of the county median family income level.

Eligible nonprofit homes for the aging apply for tax relief during the year before taxes are due. The number of dwelling units occupied by low income persons is counted on January 1 of the year in which they apply. The reduction in the property tax bill occurs in the following year. There is a one-year delay between the date on which the number of low income occupants is measured and the year in which the exemption is received.

Summary:

The date for calculating the number of low-income occupants of a nonprofit home for the aging is moved from January 1 to December 31 for the first year of operation.

Votes on Final Passage:

House 96 0
Senate 46 1 (Senate Amended)
House 96 0 (House Concurred)

Effective: May 17, 1999