
HOUSE BILL 2061

State of Washington

57th Legislature

2001 Regular Session

By Representatives Simpson, Ruderman, Fromhold, Keiser, Kessler, Hatfield, Jackley, Ogden, Conway, Schual-Berke, Lantz, Edmonds, Santos, Darneille, Rockefeller, Veloria, Lovick and Hurst

Read first time 02/13/2001. Referred to Committee on Finance.

1 AN ACT Relating to property tax relief for first-time home
2 buyers; adding new sections to chapter 84.36 RCW; creating new
3 sections; prescribing penalties; and providing a contingent
4 effective date.

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

6 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
7 ease the burden on persons buying their first home. Individuals and
8 families who work hard and are ready to make the huge financial
9 commitment of home ownership deserve some support. Helping first-
10 time home buyers will promote stronger communities and will give
11 more families the ability to raise their children in a stable
12 environment.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 84.36
14 RCW to read as follows:

15 (1) A residence owned and occupied by a first-time home buyer
16 is exempt from taxes levied by the state for the first four
17 assessment years subsequent to purchase by the first-time home

1 buyer, if the income of the first-time home buyer in the first
2 year the exemption is claimed does not exceed one hundred fifteen
3 percent of the state median income.

4 (2) The definitions in this subsection apply for the purposes
5 of this section.

6 (a) "First-time home buyer" means an individual or his or her
7 spouse who has not owned a home during the three-year period
8 before the purchase of a home.

9 (b) "State median income" means the median income for four-
10 person families as prepared by the federal bureau of the census
11 and reported annually in the federal register.

12 (c) "Residence" is defined as provided in RCW 84.36.383.

13 NEW SECTION. **Sec. 3.** A new section is added to chapter 84.36
14 RCW to read as follows:

15 (1) A claim for exemption under section 2 of this act may be
16 filed with the assessor at any time during the year for exemption
17 from taxes levied for collection beginning the following year.

18 (2) If the assessor finds that the applicant does not meet the
19 qualifications under section 2 of this act, the claim will be
20 denied but this denial may be appealed under RCW 84.48.010.

21 (3) A claim for exemption under section 2 of this act must be
22 made upon forms prescribed by the department and must be
23 accompanied by documented verification of income as required under
24 rules of the department.

25 (4) Any person signing a false claim with the intent to defraud
26 or evade the payment of any tax is guilty of the offense of
27 perjury.

28 (5) The department of revenue may conduct audits of the
29 administration of section 2 of this act and the claims for
30 exemption filed thereunder. The powers of the department under
31 chapter 84.08 RCW apply to these audits.

32 (6) Any information or facts concerning confidential income
33 data obtained by the assessor or the department of revenue, or
34 their agents or employees, under this section will be used only to
35 administer section 2 of this act. Notwithstanding any provision of
36 law to the contrary, absent written consent by the person about
37 whom the information or facts have been obtained, the confidential

1 income data will not be disclosed by the assessor or the
2 assessor's agents or employees to anyone other than the department
3 of revenue or the department's agents or employees nor by the
4 department of revenue or the department's agents or employees to
5 anyone other than the assessor or the assessor's agents or
6 employees except in a judicial proceeding pertaining to the
7 taxpayer's entitlement to the tax exemption under section 2 of
8 this act. A violation of this subsection is a misdemeanor.

9 NEW SECTION. **Sec. 4.** Section 2 of this act applies to taxes
10 levied for collection in 2003 and thereafter.

11 NEW SECTION. **Sec. 5.** This act takes effect if the proposed
12 amendment to Article VII of the state Constitution providing tax
13 relief for first-time home buyers (House Joint Resolution . . . (H-
14 1593/01)) is validly submitted to and is approved and ratified by
15 the voters at the next general election. If the proposed amendment
16 is not approved and ratified, this act is void in its entirety.

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