
HOUSE BILL 2191

State of Washington 57th Legislature 2001 Regular Session

By Representatives Morris, Sehlin, Lisk and Fromhold

Read first time 02/23/2001. Referred to Committee on Finance.

1 AN ACT Relating to property tax exemptions for property leased by
2 public entities; amending RCW 84.36.040, 84.36.050, and 84.36.815; and
3 creating a new section.

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

5 **Sec. 1.** RCW 84.36.040 and 1989 c 379 s 1 are each amended to read
6 as follows:

7 (1) The real and personal property used by nonprofit (a) day care
8 centers as defined pursuant to RCW 74.15.020; (b) free public
9 libraries; (c) orphanages and orphan asylums; (d) homes for the sick or
10 infirm; (e) hospitals for the sick; and (f) outpatient dialysis
11 facilities, which are used for the purposes of such organizations shall
12 be exempt from taxation: PROVIDED, That the benefit of the exemption
13 inures to the user.

14 (2) The real and personal property leased to and used by a
15 hospital, owned and operated by a public hospital district established
16 under chapter 70.44 RCW, for hospital purposes is exempt from taxation.
17 The benefit of the exemption must inure to the user.

1 (3) To be exempt under this section, the property must be used
2 exclusively for the purposes for which exemption is granted, except as
3 provided in RCW 84.36.805.

4 **Sec. 2.** RCW 84.36.050 and 1984 c 220 s 5 are each amended to read
5 as follows:

6 The following property (~~(shall be)~~) is exempt from taxation:

7 (1) Property owned or used for any nonprofit school or college in
8 this state for educational purposes or cultural or art educational
9 programs as defined in RCW 82.04.4328. Real property so exempt shall
10 not exceed four hundred acres in extent and, except as provided in RCW
11 84.36.805, shall be used exclusively for college or campus purposes
12 including but not limited to, buildings and grounds designed for the
13 educational, athletic, or social programs of (~~(said)~~) the institution,
14 the housing of students, the housing of religious faculty, the housing
15 of the chief administrator, athletic buildings and all other school or
16 college facilities, the need for which would be nonexistent but for the
17 presence of (~~(such)~~) the school or college and which are principally
18 designed to further the educational functions of (~~(such)~~) the college
19 or schools. If the property is leased, the benefit of the exemption
20 (~~(shall)~~) must inure to the user;

21 (2) Real or personal property owned by a not-for-profit foundation
22 that is established for the exclusive support of an institution of
23 higher education, as defined in RCW 28B.10.016. The property is exempt
24 if it is leased to and used by the institution exclusively for college
25 or campus purposes and is principally designed to further the
26 educational functions of the institution. The benefit of the exemption
27 must inure to the user.

28 **Sec. 3.** RCW 84.36.815 and 1998 c 311 s 27 are each amended to read
29 as follows:

30 In order to qualify for exempt status for any real or personal
31 property under this chapter except personal property under RCW
32 84.36.600, all foreign national governments, cemeteries,
33 nongovernmental nonprofit corporations, hospitals owned and operated by
34 a public hospital district for purposes of exemption under RCW
35 84.36.040(2), organizations, and associations, and soil and water
36 conservation districts shall file an initial application on or before
37 March 31 with the state department of revenue. All applications shall

1 be filed on forms prescribed by the department and shall be signed by
2 an authorized agent of the applicant.

3 In order to requalify for exempt status, all applicants except
4 nonprofit cemeteries shall file an annual renewal declaration on or
5 before March 31 each year. The renewal declaration shall be on forms
6 prescribed by the department of revenue and shall contain an affidavit
7 certifying the exempt status of the real or personal property owned by
8 the exempt organization. When an organization acquires real property
9 qualified for exemption or converts real property to exempt status,
10 such organization shall file an initial application for the property
11 within sixty days following the acquisition or conversion. If the
12 application is filed after the expiration of the sixty-day period a
13 late filing penalty shall be imposed pursuant to RCW 84.36.825, as now
14 or hereafter amended.

15 When organizations acquire real property qualified for exemption or
16 convert real property to an exempt use, the property, upon approval of
17 the application for exemption, is entitled to a property tax exemption
18 for property taxes due and payable the following year. If the owner
19 has paid taxes for the year following the year the property qualified
20 for exemption, the owner is entitled to a refund of the amount paid on
21 the property so acquired or converted.

22 NEW SECTION. **Sec. 4.** This act applies to taxes levied for
23 collection in 2002 and thereafter.

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