
SENATE BILL 5811

State of Washington

64th Legislature

2015 Regular Session

By Senators Pearson, McCoy, Chase, Darneille, and Habib

Read first time 02/04/15. Referred to Committee on Trade & Economic Development.

1 AN ACT Relating to a property tax exemption for certain property
2 owned by an Indian tribe that is used for economic development
3 purposes; amending RCW 84.36.010; creating a new section; and
4 providing an expiration date.

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

6 NEW SECTION. **Sec. 1.** (1) This section is the tax preference
7 performance statement for the tax preference contained in section 2
8 of this act. This performance statement is only intended to be used
9 for subsequent evaluation of the tax preference. It is not intended
10 to create a private right of action by any party or be used to
11 determine eligibility for preferential tax treatment.

12 (2) The legislature categorizes this tax preference as one
13 intended to create jobs and improve the economic health of tribal
14 communities, as indicated in RCW 82.32.808(2) (c) and (f).

15 (3) It is the legislature's specific public policy objective to
16 create jobs and improve the economic health of tribal communities. To
17 further advance these policy objectives, it is the legislature's
18 intent to remove the requirement that property owned by a federally
19 recognized Indian tribe, which is used for economic development
20 purposes, be owned as of a certain date in order to qualify for the
21 exemption.

1 (4) The joint legislative audit and review committee must perform
2 an economic impact report to the legislature as required in RCW
3 43.136.090 to provide the information necessary to measure the
4 effectiveness of this act.

5 **Sec. 2.** RCW 84.36.010 and 2014 c 207 s 5 are each amended to
6 read as follows:

7 (1) All property belonging exclusively to the United States, the
8 state, or any county or municipal corporation; all property belonging
9 exclusively to any federally recognized Indian tribe, if (a) the
10 tribe is located in the state, and (b) the property is used
11 exclusively for essential government services; all state route number
12 16 corridor transportation systems and facilities constructed under
13 chapter 47.46 RCW; all property under a financing contract pursuant
14 to chapter 39.94 RCW or recorded agreement granting immediate
15 possession and use to the public bodies listed in this section or
16 under an order of immediate possession and use pursuant to RCW
17 8.04.090; and, for a period of forty years from acquisition, all
18 property of a community center; is exempt from taxation. All property
19 belonging exclusively to a foreign national government is exempt from
20 taxation if that property is used exclusively as an office or
21 residence for a consul or other official representative of the
22 foreign national government, and if the consul or other official
23 representative is a citizen of that foreign nation.

24 (2) Property owned by a federally recognized Indian tribe(~~(,~~
25 ~~which)) that is used for economic development purposes(~~(,~~
26 ~~may only~~ qualifies ~~qualify)) qualifies for the exemption from taxes in this section (~~if~~
27 ~~the property was owned by the tribe prior to March 1, 2014)).~~~~~~

28 (3) For the purposes of this section the following definitions
29 apply unless the context clearly requires otherwise.

30 (a) "Community center" means property, including a building or
31 buildings, determined to be surplus to the needs of a district by a
32 local school board, and purchased or acquired by a nonprofit
33 organization for the purposes of converting them into community
34 facilities for the delivery of nonresidential coordinated services
35 for community members. The community center may make space available
36 to businesses, individuals, or other parties through the loan or
37 rental of space in or on the property.

38 (b) "Essential government services" means services such as tribal
39 administration, public facilities, fire, police, public health,

1 education, sewer, water, environmental and land use, transportation,
2 utility services, and economic development.

3 (c) "Economic development" means commercial activities, including
4 those that facilitate the creation or retention of businesses or
5 jobs, or that improve the standard of living or economic health of
6 tribal communities.

7 NEW SECTION. **Sec. 3.** This act expires January 1, 2022.

--- END ---