

**WAC 458-16-245 Student loan agencies.** (1) **Introduction.** This section explains the property tax exemption available under the provisions of RCW 84.36.030(6) to a nonprofit organization, association, or corporation that is exempt from federal income taxation and either guarantees student loans or issues debt to provide or acquire student loans.

(2) **Definitions.** For purposes of this section, the following definitions apply:

(a) "Student loan agency" means a nonprofit organization or association that is exempt from federal income tax under section 501(c)(3) of the Federal Internal Revenue Code of 1954 (as amended) and:

(i) Is a guarantee agency under the federal guaranteed student loan program; or

(ii) Issues debt to provide or acquire student loans.

(b) "Property" means real or personal property owned by a nonprofit organization, association, or corporation that qualifies as a "student loan agency."

(c) "Commercial" refers to an activity or enterprise that has profit making as its primary purpose.

(3) **Exemption.**

(a) Property owned and used by a nonprofit organization, association, or corporation that is a guarantee agency under the federal guaranteed student loan program or that issues debt to provide or acquire student loans is exempt from taxation.

(b) If any portion of the organization's, association's, or corporation's property is used for a commercial rather than an exempt purpose that portion must be segregated and taxed.

(4) **Additional requirements.** Any organization, association, or corporation that applies for a property tax exemption under this section must also comply with the provisions of WAC 458-16-165 that explains the additional conditions and requirements necessary to obtain a property tax exemption pursuant to RCW 84.36.030.

[Statutory Authority: RCW 84.08.010, 84.08.070 and chapter 84.36 RCW. WSR 94-07-008, § 458-16-245, filed 3/3/94, effective 4/3/94.]