

SENATE BILL REPORT

SB 6134

AS OF JANUARY 28, 1994

Brief Description: Including parcel size requirements regarding property tax deferrals for senior citizens and disabled persons.

SPONSORS: Senators Haugen, Owen, Winsley, Oke and M. Rasmussen

SENATE COMMITTEE ON WAYS & MEANS

Staff: Terry Wilson (786-7715)

Hearing Dates: January 27, 1994

BACKGROUND:

Qualified senior citizens and retired disabled persons are entitled to property tax relief in the form of exemptions and deferrals of taxes on their principal residences and up to one acre of land on which the residence is situated. To qualify, a person must be 61 years of age in the year of application or be retired from employment because of a physical disability.

To be eligible for an exemption, the disposable income of the applicant's household must fall below \$26,000 a year. To be eligible for a deferral of taxes, the disposable income of the applicant's household must fall below \$30,000 a year.

Qualifying persons may defer any taxes and special assessments due on the residence on up to 80 percent of the equity value in the residence. The Department of Revenue reimburses local taxing districts the amount of their taxes and assessments deferred. The total amount of taxes and assessments so deferred constitute a lien on the property and is due, with interest at 8 percent per year, upon sale or condemnation of the property, when the claimant ceases to reside on the property, or upon death of the claimant.

SUMMARY:

Qualified persons are entitled to defer property taxes on more than one acre to the extent that a larger parcel site is required by current land use regulations.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

Many larger parcels are required by local zoning and cause hardship to senior citizens who cannot defer the taxes on the additional acreage. This helps people outside urban areas. It is not fair to increase taxes on low-income seniors who cannot sell their property to pay the taxes because the lot size requirement is larger than one acre.

TESTIMONY AGAINST: None

TESTIFIED: Senator Haugen, sponsor (pro); Duane Colby, Island County Commissioners (pro); Ben Gassaway, Clark County Assessor (pro); Paul Dossett, San Juan County Assessor (pro)