
SENATE BILL 5030

State of Washington 53rd Legislature 1993 Regular Session

By Senators Haugen, Winsley, Gaspard, Prentice and Quigley

Read first time 01/11/93. Referred to Committee on Ways & Means.

1 AN ACT Relating to the retired person real property tax exemption;
2 amending RCW 84.36.381; and creating a new section.

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

4 **Sec. 1.** RCW 84.36.381 and 1992 c 187 s 1 are each amended to read
5 as follows:

6 A person shall be exempt from any legal obligation to pay all or a
7 portion of the amount of excess and regular real property taxes due and
8 payable in the year following the year in which a claim is filed, and
9 thereafter, in accordance with the following:

10 (1) The property taxes must have been imposed upon a residence
11 which was occupied by the person claiming the exemption as a principal
12 place of residence as of January 1st of the year for which the
13 exemption is claimed: PROVIDED, That any person who sells, transfers,
14 or is displaced from his or her residence may transfer his or her
15 exemption status to a replacement residence, but no claimant shall
16 receive an exemption on more than one residence in any year: PROVIDED
17 FURTHER, That confinement of the person to a hospital or nursing home
18 shall not disqualify the claim of exemption if the residence is

1 temporarily unoccupied or if the residence is occupied by a spouse and/
2 or a person financially dependent on the claimant for support;

3 (2) The person claiming the exemption must have owned, at the time
4 of filing, in fee, as a life estate, or by contract purchase, the
5 residence on which the property taxes have been imposed or if the
6 person claiming the exemption lives in a cooperative housing
7 association, corporation, or partnership, such person must own a share
8 therein representing the unit or portion of the structure in which he
9 or she resides. For purposes of this subsection, a residence owned by
10 a marital community or owned by cotenants shall be deemed to be owned
11 by each spouse or cotenant, and any lease for life shall be deemed a
12 life estate;

13 (3) The person claiming the exemption must be sixty-one years of
14 age or older on December 31st of the year in which the exemption claim
15 is filed, or must have been, at the time of filing, retired from
16 regular gainful employment by reason of physical disability: PROVIDED,
17 That any surviving spouse of a person who was receiving an exemption at
18 the time of the person's death shall qualify if the surviving spouse is
19 fifty-seven years of age or older and otherwise meets the requirements
20 of this section;

21 (4) The amount that the person shall be exempt from an obligation
22 to pay shall be calculated on the basis of combined disposable income,
23 as defined in RCW 84.36.383. If the person claiming the exemption was
24 retired for two months or more of the preceding year, the combined
25 disposable income of such person shall be calculated by multiplying the
26 average monthly combined disposable income of such person during the
27 months such person was retired by twelve. If the income of the person
28 claiming exemption is reduced for two or more months of the preceding
29 year by reason of the death of the person's spouse, the combined
30 disposable income of such person shall be calculated by multiplying the
31 average monthly combined disposable income of such person after the
32 death of the spouse by twelve.

33 (5)(a) A person who otherwise qualifies under this section and has
34 a combined disposable income of twenty-six thousand dollars or less
35 shall be exempt from all excess property taxes; and

36 (b)(i) A person who otherwise qualifies under this section and has
37 a combined disposable income of eighteen thousand dollars or less but
38 greater than fifteen thousand dollars shall be exempt from all regular
39 property taxes on the greater of thirty thousand dollars or thirty

1 percent of the valuation of his or her residence, but not to exceed
2 fifty thousand dollars of the valuation of his or her residence; or

3 (ii) A person who otherwise qualifies under this section and has a
4 combined disposable income of fifteen thousand dollars or less shall be
5 exempt from all regular property taxes on the greater of thirty-four
6 thousand dollars or fifty percent of the valuation of his or her
7 residence.

8 (6) For a person who otherwise qualifies under this section and has
9 a combined disposable income of twenty-six thousand dollars or less,
10 the taxable valuation of the residence shall not exceed the lesser of
11 (a) the current taxable value of the residence as reduced by the
12 exemption under subsection (5) of this section, if any, or (b) the
13 taxable value of the residence for the previous year, plus six percent.
14 For the purposes of this subsection, "taxable value for the previous
15 year" means assessed value as reduced by any exemption for the previous
16 year. For counties that do not revalue property annually, the amount
17 under (b) of this subsection shall be the previous taxable value plus
18 six percent for each year since the previous revaluation of the
19 residence.

20 NEW SECTION. Sec. 2. Section 1 of this act shall be effective for
21 taxes levied for collection in 1994 and thereafter.

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