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HOUSE BILL 1219

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State of Washington

57th Legislature

2001 Regular Session

By Representatives Marine, D. Schmidt, Roach, Delvin, Cooper and Skinner

Read first time 01/22/2001. Referred to Committee on Finance.

1 AN ACT Relating to property tax exemptions for community radio  
2 stations; reenacting and amending RCW 84.36.805 and 84.36.810; adding  
3 a new section to chapter 84.36 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 84.36 RCW  
6 to read as follows:

7 (1) All property owned and used by a community public radio station  
8 is exempt from taxation.

9 (2) As used in this section "community public radio station" means  
10 a nonprofit organization, other than a government entity or an  
11 educational institution, that holds a noncommercial FM broadcast  
12 license under 47 C.F.R. Sec. 73.503.

13 **Sec. 2.** RCW 84.36.805 and 1999 c 203 s 2 and 1999 c 139 s 3 are  
14 each reenacted and amended to read as follows:

15 (1) In order to qualify for an exemption under this chapter ((and  
16 ~~RCW 84.36.560~~)), the nonprofit organizations, associations, or  
17 corporations must satisfy the conditions in this section.

1 (2) The property must be used exclusively for the actual operation  
2 of the activity for which exemption is granted, unless otherwise  
3 provided, and does not exceed an amount reasonably necessary for that  
4 purpose, except:

5 (a) The loan or rental of the property does not subject the  
6 property to tax if:

7 (i) The rents and donations received for the use of the portion of  
8 the property are reasonable and do not exceed the maintenance and  
9 operation expenses attributable to the portion of the property loaned  
10 or rented; and

11 (ii) Except for the exemptions under RCW 84.36.030(4) and  
12 84.36.037, the property would be exempt from tax if owned by the  
13 organization to which it is loaned or rented;

14 (b) The use of the property for fund-raising activities does not  
15 subject the property to tax if the fund-raising activities are  
16 consistent with the purposes for which the exemption is granted.

17 (3) The property must be irrevocably dedicated to the purpose for  
18 which exemption has been granted, and on the liquidation, dissolution,  
19 or abandonment by said organization, association, or corporation, said  
20 property will not inure directly or indirectly to the benefit of any  
21 shareholder or individual, except a nonprofit organization,  
22 association, or corporation which too would be entitled to property tax  
23 exemption. This property need not be irrevocably dedicated if it is  
24 leased or rented to those qualified for exemption under this chapter or  
25 RCW 84.36.560 for leased property, but only if under the terms of the  
26 lease or rental agreement the nonprofit organization, association, or  
27 corporation receives the benefit of the exemption.

28 (4) The facilities and services must be available to all regardless  
29 of race, color, national origin or ancestry.

30 (5) The organization, association, or corporation must be duly  
31 licensed or certified where such licensing or certification is required  
32 by law or regulation.

33 (6) Property sold to organizations, associations, or corporations  
34 with an option to be repurchased by the seller shall not qualify for  
35 exempt status.

36 (7) The department shall have access to its books in order to  
37 determine whether the nonprofit organization, association, or  
38 corporation is exempt from taxes under this chapter and RCW 84.36.560.

1 (8) This section does not apply to exemptions granted under RCW  
2 84.36.020, 84.36.032, 84.36.250, ((and)) 84.36.260, and section 1 of  
3 this act.

4 **Sec. 3.** RCW 84.36.810 and 1999 c 203 s 3 and 1999 c 139 s 4 are  
5 each reenacted and amended to read as follows:

6 (1) Upon cessation of a use under which an exemption has been  
7 granted pursuant to RCW 84.36.030, 84.36.037, 84.36.040, 84.36.041,  
8 84.36.042, 84.36.043, 84.36.046, 84.36.050, 84.36.060, 84.36.550,  
9 84.36.560, ((and)) 84.36.570, and section 1 of this act, the county  
10 treasurer shall collect all taxes which would have been paid had the  
11 property not been exempt during the three years preceding, or the life  
12 of such exemption, if such be less, together with the interest at the  
13 same rate and computed in the same way as that upon delinquent property  
14 taxes. If the property has been granted an exemption for more than ten  
15 consecutive years, taxes and interest shall not be assessed under this  
16 section.

17 (2) Subsection (1) of this section applies only when ownership of  
18 the property is transferred or when fifty-one percent or more of the  
19 area of the property loses its exempt status. The additional tax under  
20 subsection (1) of this section shall not be imposed if the cessation of  
21 use resulted solely from:

22 (a) Transfer to a nonprofit organization, association, or  
23 corporation for a use which also qualifies and is granted exemption  
24 under this chapter;

25 (b) A taking through the exercise of the power of eminent domain,  
26 or sale or transfer to an entity having the power of eminent domain in  
27 anticipation of the exercise of such power;

28 (c) Official action by an agency of the state of Washington or by  
29 the county or city within which the property is located which disallows  
30 the present use of such property;

31 (d) A natural disaster such as a flood, windstorm, earthquake, or  
32 other such calamity rather than by virtue of the act of the  
33 organization, association, or corporation changing the use of such  
34 property;

35 (e) Relocation of the activity and use of another location or site  
36 except for undeveloped properties of camp facilities exempted under RCW  
37 84.36.030;

1 (f) Cancellation of a lease on leased property that had been exempt  
2 under this chapter or RCW 84.36.560; or

3 (g) A change in the exempt portion of a home for the aging under  
4 RCW 84.36.041(3), as long as some portion of the home remains exempt.

5 NEW SECTION. **Sec. 4.** Section 1 of this act is effective for taxes  
6 levied for collection in 2001 and thereafter.

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