

---

HOUSE BILL 1486

---

State of Washington

57th Legislature

2001 Regular Session

By Representatives Lambert, Campbell and Carrell

Read first time . Referred to Committee on .

1 AN ACT Relating to relief from the state property tax levy for  
2 senior citizens; amending RCW 84.36.385, 84.36.387, and 84.36.389;  
3 adding 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) A taxpayer is eligible for a credit against the state levy  
8 imposed on the taxpayer's owner-occupied residence, if the following  
9 conditions are met:

10 (a) The taxpayer must be sixty-four years of age or older on  
11 December 31st of the year in which a credit claim is filed; and

12 (b) The taxpayer and the residence must meet all the conditions of  
13 RCW 84.36.381 (1) and (2).

14 (2) The amount of credit is equal to a percentage of the state levy  
15 imposed on the residence, based on the taxpayer's age on December 31st  
16 of the year before the taxes are due, as determined under the following  
17 table.

	AGE	CREDIT
1		
2	64	15%
3	65	20%
4	66	25%
5	67	30%
6	68	40%
7	69	50%

8       **Sec. 2.** RCW 84.36.385 and 1992 c 206 s 13 are each amended to read  
9 as follows:

10       (1) A claim for exemption under RCW 84.36.381 (~~as now or hereafter~~  
11 ~~amended,~~) or a credit under section 1 of this act shall be made and  
12 filed at any time during the year for exemption or credit from taxes  
13 payable the following year and thereafter and solely upon forms as  
14 prescribed and furnished by the department of revenue. However, an  
15 exemption from tax under RCW 84.36.381 or a credit under section 1 of  
16 this act shall continue for no more than four years unless a renewal  
17 application is filed as provided in subsection (3) of this section.  
18 The county assessor may also require, by written notice, a renewal  
19 application following an amendment of the income requirements set forth  
20 in RCW 84.36.381. Renewal applications shall be on forms prescribed  
21 and furnished by the department of revenue.

22       (2) A person granted an exemption under RCW 84.36.381 or a credit  
23 under section 1 of this act shall inform the county assessor of any  
24 change in status affecting (~~the person's~~) entitlement to the  
25 exemption or credit on forms prescribed and furnished by the department  
26 of revenue.

27       (3) Each person exempt from taxes under RCW 84.36.381 in 1993 and  
28 thereafter, shall file with the county assessor a renewal application  
29 not later than December 31 of the year the assessor notifies such  
30 person of the requirement to file the renewal application.

31       (4) Beginning in 1992 and in each of the three succeeding years,  
32 the county assessor shall notify approximately one-fourth of those  
33 persons exempt from taxes under RCW 84.36.381 in the current year who  
34 have not filed a renewal application within the previous four years, of  
35 the requirement to file a renewal application.

36       (5) If the assessor finds that the applicant does not meet the  
37 qualifications as set forth in RCW 84.36.381(~~, as now or hereafter~~  
38 ~~amended~~) or section 1 of this act, the claim or exemption shall be

1 denied but such denial shall be subject to appeal under the provisions  
2 of RCW 84.48.010(5). If the applicant had received exemption or credit  
3 in prior years based on erroneous information, the taxes shall be  
4 collected subject to penalties as provided in RCW 84.40.130 for a  
5 period of not to exceed three years.

6 (6) The department and each local assessor is hereby directed to  
7 publicize the qualifications and manner of making claims under RCW  
8 84.36.381 through 84.36.389 and section 1 of this act, through  
9 communications media, including such paid advertisements or notices as  
10 it deems appropriate. Notice of the qualifications, method of making  
11 applications, the penalties for not reporting a change in status, and  
12 availability of further information shall be included on or with  
13 property tax statements and revaluation notices for all residential  
14 property including mobile homes, except rental properties.

15 **Sec. 3.** RCW 84.36.387 and 1992 c 206 s 14 are each amended to read  
16 as follows:

17 (1) All claims for exemption under RCW 84.36.381 or a credit under  
18 section 1 of this act shall be made and signed by the person entitled  
19 to the exemption or credit, by his or her attorney in fact or in the  
20 event the residence of such person is under mortgage or purchase  
21 contract requiring accumulation of reserves out of which the holder of  
22 the mortgage or contract is required to pay real estate taxes, by such  
23 holder or by the owner, either before two witnesses or the county  
24 assessor or ((his)) the assessor's deputy in the county where the real  
25 property is located: PROVIDED, That if a claim for exemption or credit  
26 is made by a person living in a cooperative housing association,  
27 corporation, or partnership, such claim shall be made and signed by the  
28 person entitled to the exemption or credit and by the authorized agent  
29 of such cooperative.

30 (2) If the taxpayer is unable to submit his or her own claim, the  
31 claim shall be submitted by a duly authorized agent or by a guardian or  
32 other person charged with the care of the person or property of such  
33 taxpayer.

34 (3) All claims for exemption and renewal applications under RCW  
35 84.36.381 shall be accompanied by such documented verification of  
36 income as shall be prescribed by rule adopted by the department of  
37 revenue.

1 (4) Any person signing a false claim with the intent to defraud or  
2 evade the payment of any tax shall be guilty of the offense of perjury.

3 (5) The tax liability of a cooperative housing association,  
4 corporation, or partnership shall be reduced by the amount of tax  
5 exemption or credit to which a claimant residing therein is entitled  
6 and such cooperative shall reduce any amount owed by the claimant to  
7 the cooperative by such exact amount of tax exemption or credit or, if  
8 no amount be owed, the cooperative shall make payment to the claimant  
9 of such exact amount of exemption or credit.

10 (6) A remainderman or other person who would have otherwise paid  
11 the tax on real property that is the subject of an exemption granted  
12 under RCW 84.36.381 or a credit granted under section 1 of this act for  
13 an estate for life shall reduce the amount which would have been  
14 payable by the life tenant to the remainderman or other person to the  
15 extent of the exemption or credit. If no amount is owed or separately  
16 stated as an obligation between these persons, the remainderman or  
17 other person shall make payment to the life tenant in the exact amount  
18 of the exemption or credit.

19 **Sec. 4.** RCW 84.36.389 and 1979 ex.s. c 214 s 4 are each amended to  
20 read as follows:

21 (1) The director of the department of revenue shall adopt such  
22 rules (~~and regulations~~) and prescribe such forms as may be necessary  
23 and appropriate for implementation and administration of this chapter  
24 subject to chapter 34.05 RCW, the administrative procedure act.

25 (2) The department may conduct such audits of the administration of  
26 RCW 84.36.381 through 84.36.389 and section 1 of this act and the  
27 claims for exemption or credit filed thereunder as it considers  
28 necessary. The powers of the department under chapter 84.08 RCW apply  
29 to these audits.

30 (3) Any information or facts concerning confidential income data  
31 obtained by the assessor or the department, or their agents or  
32 employees, under subsection (2) of this section shall be used only to  
33 administer RCW 84.36.381 through 84.36.389. Notwithstanding any  
34 provision of law to the contrary, absent written consent by the person  
35 about whom the information or facts have been obtained, the  
36 confidential income data shall not be disclosed by the assessor or the  
37 assessor's agents or employees to anyone other than the department or  
38 the department's agents or employees nor by the department or the

1 department's agents or employees to anyone other than the assessor or  
2 the assessor's agents or employees except in a judicial proceeding  
3 pertaining to the taxpayer's entitlement to the tax exemption under RCW  
4 84.36.381 through 84.36.389. Any violation of this subsection is a  
5 misdemeanor.

6 NEW SECTION. **Sec. 5.** Section 1 of this act applies to taxes  
7 levied for collection in 2002 and thereafter.

--- END ---