

HB 1019 - S AMD 673

By Senator Fraser and Zarelli

ADOPTED 4/23/05

1 On page 1, beginning on line 15, strike all of Section 2 and insert  
2 the following:

3 "Sec. 2. RCW 84.36.381 and 2004 c 270 s 1 are each amended to read  
4 as follows:

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

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

18 (a) The residence is temporarily unoccupied;

19 (b) The residence is occupied by a spouse and/or a person  
20 financially dependent on the claimant for support; or

21 (c) The residence is rented for the purpose of paying nursing home,  
22 hospital, boarding home, or adult family home costs;

23 (2) The person claiming the exemption must have owned, at the time  
24 of filing, in fee, as a life estate, or by contract purchase, the  
25 residence on which the property taxes have been imposed or if the  
26 person claiming the exemption lives in a cooperative housing  
27 association, corporation, or partnership, such person must own a share  
28 therein representing the unit or portion of the structure in which he  
29 or she resides. For purposes of this subsection, a residence owned by  
30 a marital community or owned by cotenants shall be deemed to be owned

1 by each spouse or cotenant, and any lease for life shall be deemed a  
2 life estate;

3 (3) The person claiming the exemption must be (a) sixty-one years  
4 of age or older on December 31st of the year in which the exemption  
5 claim is filed, or must have been, at the time of filing, retired from  
6 regular gainful employment by reason of disability, or (b) a veteran of  
7 the armed forces of the United States with one hundred percent service  
8 connected disability as provided in 42 U.S.C. Sec. 423 (d)(1)(A) as  
9 amended prior to January 1, 2005. ((:—PROVIDED, That any—)) However,  
10 any surviving spouse of a person who was receiving an exemption at the  
11 time of the person's death shall qualify if the surviving spouse is  
12 fifty-seven years of age or older and otherwise meets the requirements  
13 of this section;

14 (4) The amount that the person shall be exempt from an obligation  
15 to pay shall be calculated on the basis of combined disposable income,  
16 as defined in RCW 84.36.383. If the person claiming the exemption was  
17 retired for two months or more of the assessment year, the combined  
18 disposable income of such person shall be calculated by multiplying the  
19 average monthly combined disposable income of such person during the  
20 months such person was retired by twelve. If the income of the person  
21 claiming exemption is reduced for two or more months of the assessment  
22 year by reason of the death of the person's spouse, or when other  
23 substantial changes occur in disposable income that are likely to  
24 continue for an indefinite period of time, the combined disposable  
25 income of such person shall be calculated by multiplying the average  
26 monthly combined disposable income of such person after such  
27 occurrences by twelve. If it is necessary to estimate income to comply  
28 with this subsection, the assessor may require confirming documentation  
29 of such income prior to May 31 of the year following application;

30 (5)(a) A person who otherwise qualifies under this section and has  
31 a combined disposable income of thirty-five thousand dollars or less  
32 shall be exempt from all excess property taxes; and

33 (b)(i) A person who otherwise qualifies under this section and has  
34 a combined disposable income of thirty thousand dollars or less but  
35 greater than twenty-five thousand dollars shall be exempt from all  
36 regular property taxes on the greater of fifty thousand dollars or  
37 thirty-five percent of the valuation of his or her residence, but not  
38 to exceed seventy thousand dollars of the valuation of his or her  
39 residence; or

1 (ii) A person who otherwise qualifies under this section and has a  
2 combined disposable income of twenty-five thousand dollars or less  
3 shall be exempt from all regular property taxes on the greater of sixty  
4 thousand dollars or sixty percent of the valuation of his or her  
5 residence;

6 (6) For a person who otherwise qualifies under this section and has  
7 a combined disposable income of thirty-five thousand dollars or less,  
8 the valuation of the residence shall be the assessed value of the  
9 residence on the later of January 1, 1995, or January 1st of the  
10 assessment year the person first qualifies under this section. If the  
11 person subsequently fails to qualify under this section only for one  
12 year because of high income, this same valuation shall be used upon  
13 requalification. If the person fails to qualify for more than one year  
14 in succession because of high income or fails to qualify for any other  
15 reason, the valuation upon requalification shall be the assessed value  
16 on January 1st of the assessment year in which the person requalifies.  
17 If the person transfers the exemption under this section to a different  
18 residence, the valuation of the different residence shall be the  
19 assessed value of the different residence on January 1st of the  
20 assessment year in which the person transfers the exemption.

21 In no event may the valuation under this subsection be greater than  
22 the true and fair value of the residence on January 1st of the  
23 assessment year.

24 This subsection does not apply to subsequent improvements to the  
25 property in the year in which the improvements are made. Subsequent  
26 improvements to the property shall be added to the value otherwise  
27 determined under this subsection at their true and fair value in the  
28 year in which they are made."

29 Strike all of section 3.

30 Renumber the sections consecutively and correct any internal  
31 references accordingly.

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2 By Senator Fraser

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4 On page 1, on line 3 of the title, after "84.36.379" strike  
5 "84.36.381, and 84.36.383", insert "and 84.36.381"

« **END** ---

**EFFECT:** Provides property tax relief for disabled veterans who meet the income tests under current law.