

SENATE BILL REPORT

SB 5443

As Reported By Senate Committee On:
Government Operations & Elections, February 15, 2005

Title: An act relating to a property tax exemption for widows or widowers of honorably discharged veterans.

Brief Description: Providing a property tax exemption to widows or widowers of honorably discharged veterans.

Sponsors: Senators Rasmussen, Schmidt, Franklin, Prentice, Berkey, Keiser, Fraser, Poulsen, Kastama, Finkbeiner, Esser, Shin, Haugen, Rockefeller, McAuliffe, Oke, Kohl-Welles and McCaslin; by request of Governor Gregoire.

Brief History:

Committee Activity: Government Operations & Elections: 2/15/05 [DP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Kastama, Chair; Berkey, Vice Chair; Roach, Ranking Minority Member; Benton, Fairley, Haugen, Kline, McCaslin, Mulliken and Pridemore.

Staff: Cindy Fazio (786-7405)

Background: All real and personal property in this state is subject to property tax each year based on its value, unless a specific exemption is provided by law. Senior citizens (sixty-one years of age and older), persons retired from employment due to disability, and persons fifty-seven years of age and older who are surviving spouses of persons receiving the exemption are entitled to tax relief on their principal residence.

Summary of Bill: An honorably discharged veteran's widow or widower is exempt from a portion, or all property taxes assessed on the home they own. The widow or widower must be sixty-one years of age or older at the time of application for tax relief; or must be retired from gainful employment by reason of physical disability.

The veteran must have: died as a result of a service-connected disability; or, been rated by the veteran's administration as one hundred percent disabled for the ten years prior to death; or, was a former prisoner of war as substantiated by the veteran's administration and rated as one hundred percent disabled for one or more years prior to death; or, died in active training status as a member of the United States reserves or national guard. Additionally, the definition of veteran is that from existing statute.

The property tax exemption must be calculated on the applicant's disposable income and must follow this schedule:

- Income of \$32,000, or less is exempt from all property taxes on first \$200,000 of assessed value.
- Income of \$40,000, or less, and greater than \$32,000 is exempt from all property taxes on first \$150,000 of assessed value.
- Income of \$50,000, or less, and greater than \$40,000 is exempt from all property taxes on first \$100,000 of assessed value.

The application for exemption must be accompanied by specific documentation and the Washington State Department of Veterans' Affairs must assist the applicant in the preparation and submission of the documents to the county assessor or other designated official.

The change begins with taxes levied for collection in 2006.

Appropriation: None.

Fiscal Note: Requested on February 1, 2005.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill is the product of many years of hard work by many people. It is good legislation. The widows and widowers of the veterans of Washington truly need this help. The bill has been looked at and approved of by many people; it's time to get it passed.

Testimony Against: None.

Who Testified: PRO: Senator Rasmussen, prime sponsor at request of Governor; Marty Brown, Governor's Office; John Lee, Washington Department of Veteran's Affairs; Dan Gogerty, Past Chairman, Veteran's Legislative Coalition; Jim Monk, Chairman, Veteran's Legislative Coalition.