
HOUSE BILL 2582

State of Washington

52nd Legislature

1992 Regular Session

By Representatives Wood, Prentice, Schmidt, Wang, Horn, G. Cole, Carlson, Fraser, Beck, Silver, Paris, May, Betrozoff, Bowman, Brough, Ferguson, Chandler, D. Sommers, Wynne, Brumsickle and Winsley

Read first time 01/22/92. Referred to Committee on Revenue.

1 AN ACT Relating to defining combined disposable income for the
2 purpose of determining property tax exemptions; and amending RCW
3 84.36.383.

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

5 **Sec. 1.** RCW 84.36.383 and 1991 c 213 s 4 are each amended to read
6 as follows:

7 As used in RCW 84.36.381 through 84.36.389, except where the
8 context clearly indicates a different meaning:

9 (1) The term "residence" shall mean a single family dwelling unit
10 whether such unit be separate or part of a multiunit dwelling,
11 including the land on which such dwelling stands not to exceed one
12 acre. The term shall also include a share ownership in a cooperative
13 housing association, corporation, or partnership if the person claiming
14 exemption can establish that his or her share represents the specific

1 unit or portion of such structure in which he or she resides. The term
2 shall also include a single family dwelling situated upon lands the fee
3 of which is vested in the United States or any instrumentality thereof
4 including an Indian tribe or in the state of Washington, and
5 notwithstanding the provisions of RCW 84.04.080(~~(7)~~) or 84.04.090 (~~or~~
6 ~~84.40.250~~)), such a residence shall be deemed real property.

7 (2) The term "real property" shall also include a mobile home which
8 has substantially lost its identity as a mobile unit by virtue of its
9 being fixed in location upon land owned or leased by the owner of the
10 mobile home and placed on a foundation (posts or blocks) with fixed
11 pipe, connections with sewer, water, or other utilities: PROVIDED,
12 That a mobile home located on land leased by the owner of the mobile
13 home shall be subject, for tax billing, payment, and collection
14 purposes, only to the personal property provisions of chapter 84.56 RCW
15 and RCW 84.60.040.

16 (3) The term "preceding calendar year" shall mean the calendar year
17 preceding the year in which the claim for exemption is to be made.

18 (4) "Department" shall mean the state department of revenue.

19 (5) "Combined disposable income" means the disposable income of the
20 person claiming the exemption, plus the disposable income of his or her
21 spouse, and the disposable income of each cotenant occupying the
22 residence for the preceding calendar year, less amounts paid by the
23 person claiming the exemption or his or her spouse during the previous
24 year for the treatment or care of either person received in the home or
25 in a nursing home or for costs of medical prescriptions.

26 (6) "Disposable income" means adjusted gross income as defined in
27 the federal internal revenue code, as amended prior to January 1, 1989,
28 or such subsequent date as the director may provide by rule consistent
29 with the purpose of this section, plus all of the following items to

1 the extent they are not included in or have been deducted from adjusted
2 gross income:

3 (a) Capital gains, other than nonrecognized gain on the sale of a
4 principal residence under section 1034 of the federal internal revenue
5 code, or gain excluded from income under section 121 of the federal
6 internal revenue code to the extent it is reinvested in a new principal
7 residence;

8 (b) Amounts deducted for loss;

9 (c) Amounts deducted for depreciation;

10 (d) Pension and annuity receipts;

11 (e) Military pay and benefits other than attendant-care and
12 medical-aid payments;

13 (f) Veterans benefits other than attendant-care and medical-aid
14 payments;

15 (g) Federal social security act and railroad retirement benefits;

16 (h) Dividend receipts; and

17 (i) Interest received on state and municipal bonds.

18 (7) "Cotenant" means a person who resides with the person claiming
19 the exemption and who has an ownership interest in the residence.