
SENATE BILL 5993

State of Washington 52nd Legislature 1991 1st Special Session

By Senators Cantu, Gaspard, Hayner, Murray, Anderson, A. Smith, Craswell, Skratek and Johnson.

Read first time June 17, 1991. Referred to Committee on Rules.

1 AN ACT Relating to increasing the maximum income limits of
2 residents of nonprofit homes for the aging for purposes of the property
3 tax exemption for nonprofit homes for the aging to the maximum income
4 limits for retired persons' property tax exemptions; amending RCW
5 84.36.041; and declaring an emergency.

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

7 **Sec. 1.** RCW 84.36.041 and 1991 c 203 s 2 are each amended to read
8 as follows:

9 (1) All real and personal property used by a nonprofit home for the
10 aging that is reasonably necessary for the purposes of the home is
11 exempt from taxation if the benefit of the exemption inures to the home
12 and:

13 (a) At least fifty percent of the occupied dwelling units in the
14 home are occupied by eligible residents; or

1 (b) The home is subsidized under a federal department of housing
2 and urban development program. The department of revenue shall provide
3 by rule a definition of homes eligible for exemption under this
4 subsection (b), consistent with the purposes of this section.

5 (2) A home for the aging is eligible for a partial exemption if the
6 home does not meet the requirements of subsection (1) of this section
7 because fewer than fifty percent of the occupied dwelling units are
8 occupied by eligible residents. The amount of exemption shall be
9 calculated by multiplying the assessed value of the property reasonably
10 necessary for the purposes of the home by a fraction. The numerator of
11 the fraction is the number of dwelling units occupied by eligible
12 persons multiplied by two. The denominator of the fraction is the
13 total number of occupied dwelling units. The fraction shall never
14 exceed one.

15 (3) To be exempt under this section, the property must be used
16 exclusively for the purposes for which the exemption is granted, except
17 as provided in RCW 84.36.805.

18 (4) A home for the aging is exempt from taxation only if the
19 organization operating the home is exempt from income tax under section
20 501(c) of the federal internal revenue code as existing on January 1,
21 1989, or such subsequent date as the director may provide by rule
22 consistent with the purposes of this section.

23 (5) Each eligible resident of a home for the aging shall submit the
24 form required under RCW 84.36.385 to the county assessor by July 1st of
25 the assessment year. An eligible resident who has filed a form for a
26 previous year need not file a new form until there is a change in
27 status affecting the person's eligibility.

28 (6) In determining the true and fair value of a home for the aging
29 for purposes of the partial exemption provided by subsection (2) of
30 this section, the assessor shall apply the computation method provided

1 by RCW 84.34.060 and shall consider only the use to which such property
2 is applied during the years for which such partial exemptions are
3 available and shall not consider potential uses of such property.

4 (7) A home for the aging that was exempt for taxes levied for
5 collection in 1990 and is not fully exempt under this section is
6 entitled to partial exemptions as follows:

7 (a) For taxes levied for collection in 1991, two-thirds of the
8 assessed value that would otherwise be subject to tax under this
9 section is exempt from taxation.

10 (b) For taxes levied for collection in 1992, one-third of the
11 assessed value that would otherwise be subject to tax under this
12 section is exempt from taxation.

13 (8) As used in this section:

14 (a) "Eligible resident" means a person who would be eligible for an
15 exemption ((of regular property taxes)) under RCW 84.36.381 if the
16 person owned a single-family dwelling. For the purposes of determining
17 eligibility under this section, a "cotenant" as used in RCW 84.36.383
18 means a person who resides with an eligible resident and who shares
19 personal financial resources with the eligible resident.

20 (b) "Home for the aging" means a residential housing facility that
21 (i) provides a housing arrangement chosen voluntarily by the resident,
22 the resident's guardian or conservator, or another responsible person;
23 (ii) has only residents who are at least sixty-two years of age or who
24 have needs for care generally compatible with persons who are at least
25 sixty-two years of age; and (iii) provides varying levels of care and
26 supervision, as agreed to at the time of admission or as determined
27 necessary at subsequent times of reappraisal.

28 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
29 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and shall take
2 effect immediately.