
HOUSE BILL 2242

Passed Legislature - 1991 1st Special Session

State of Washington 52nd Legislature 1991 1st Special Session

By Representatives Wang, Horn, Hine and Holland

Read first time June 27, 1991.

1 AN ACT Relating to delaying the phase-in of property taxes for
2 homes for the aging; amending RCW 84.36.041; and declaring an
3 emergency.

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

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

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

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

13 (b) The home is subsidized under a federal department of housing
14 and urban development program. The department of revenue shall provide

1 by rule a definition of homes eligible for exemption under this
2 subsection (b), consistent with the purposes of this section.

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

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

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

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

26 (6) In determining the true and fair value of a home for the aging
27 for purposes of the partial exemption provided by subsection (2) of
28 this section, the assessor shall apply the computation method provided
29 by RCW 84.34.060 and shall consider only the use to which such property

1 is applied during the years for which such partial exemptions are
2 available and shall not consider potential uses of such property.

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

6 (a) For taxes levied for collection in 1991 and 1992, two-thirds of
7 the assessed value that would otherwise be subject to tax under this
8 section is exempt from taxation.

9 (b) For taxes levied for collection in (~~(1992)~~) 1993, one-third of
10 the assessed value that would otherwise be subject to tax under this
11 section is exempt from taxation.

12 (8) As used in this section:

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

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

27 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
28 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.

Passed the House June 28, 1991.

Passed the Senate June 28, 1991.

Approved by the Governor July 2, 1991.

Filed in Office of Secretary of State July 2, 1991.