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HOUSE BILL 1663

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State of Washington

53rd Legislature

1993 Regular Session

By Representatives Karahalios, G. Fisher, Kremen, Kessler, Campbell, Brough, Jones, Zellinsky, Heavey, King, R. Meyers, Dorn, Thibaudeau, Holm, Sheldon, Quall, Rayburn, Hansen, Flemming, Roland, Jacobsen, Valle, Patterson, Romero, Ogden, Leonard, Finkbeiner, Bray, Conway, Eide, H. Myers, Johanson and Morris

Read first time 02/05/93. Referred to Committee on Revenue.

1 AN ACT Relating to limiting the value of residential property for  
2 senior citizens and persons retired by reason of physical disability;  
3 amending RCW 84.36.381; and creating a new section.

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

5 **Sec. 1.** RCW 84.36.381 and 1992 c 187 s 1 are each amended to read  
6 as follows:

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

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

1 temporarily unoccupied or if the residence is occupied by a spouse and/  
2 or a person financially dependent on the claimant for support;

3 (2) The person claiming the exemption must have owned, at the time  
4 of filing, in fee, as a life estate, or by contract purchase, the  
5 residence on which the property taxes have been imposed or if the  
6 person claiming the exemption lives in a cooperative housing  
7 association, corporation, or partnership, such person must own a share  
8 therein representing the unit or portion of the structure in which he  
9 or she resides. For purposes of this subsection, a residence owned by  
10 a marital community or owned by cotenants shall be deemed to be owned  
11 by each spouse or cotenant, and any lease for life shall be deemed a  
12 life estate;

13 (3) The person claiming the exemption must be sixty-one years of  
14 age or older on December 31st of the year in which the exemption claim  
15 is filed, or must have been, at the time of filing, retired from  
16 regular gainful employment by reason of physical disability: PROVIDED,  
17 That any surviving spouse of a person who was receiving an exemption at  
18 the time of the person's death shall qualify if the surviving spouse is  
19 fifty-seven years of age or older and otherwise meets the requirements  
20 of this section;

21 (4) The amount that the person shall be exempt from an obligation  
22 to pay shall be calculated on the basis of combined disposable income,  
23 as defined in RCW 84.36.383. If the person claiming the exemption was  
24 retired for two months or more of the preceding year, the combined  
25 disposable income of such person shall be calculated by multiplying the  
26 average monthly combined disposable income of such person during the  
27 months such person was retired by twelve. If the income of the person  
28 claiming exemption is reduced for two or more months of the preceding  
29 year by reason of the death of the person's spouse, the combined  
30 disposable income of such person shall be calculated by multiplying the  
31 average monthly combined disposable income of such person after the  
32 death of the spouse by twelve.

33 (5)(a) A person who otherwise qualifies under this section and has  
34 a combined disposable income of twenty-six thousand dollars or less  
35 shall be exempt from all excess property taxes; and

36 (b)(i) A person who otherwise qualifies under this section and has  
37 a combined disposable income of eighteen thousand dollars or less but  
38 greater than fifteen thousand dollars shall be exempt from all regular  
39 property taxes on the greater of thirty thousand dollars or thirty

1 percent of the valuation of his or her residence, but not to exceed  
2 fifty thousand dollars of the valuation of his or her residence; or

3 (ii) A person who otherwise qualifies under this section and has a  
4 combined disposable income of fifteen thousand dollars or less shall be  
5 exempt from all regular property taxes on the greater of thirty-four  
6 thousand dollars or fifty percent of the valuation of his or her  
7 residence.

8 (6) For a person who otherwise qualifies under this section and has  
9 a combined disposable income of twenty-six thousand dollars or less,  
10 the taxable value of the residence shall not exceed the lesser of (a)  
11 the assessed value of the residence as reduced by the exemption under  
12 subsection (5) of this section, if any, or (b) the taxable value of the  
13 residence for the previous year, plus six percent. For counties that  
14 do not revalue property annually, the amount under (b) of this  
15 subsection shall be the previous taxable value plus six percent for  
16 each year since the previous revaluation of the residence.

17 NEW SECTION. Sec. 2. Section 1 of this act shall be effective for  
18 taxes levied for collection in 1994 and thereafter.

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