
SUBSTITUTE SENATE BILL 6351

State of Washington

53rd Legislature

1994 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senator Owen)

Read first time 02/08/94.

1 AN ACT Relating to leasehold excise taxes; amending RCW 82.29A.060
2 and 82.29A.120; and declaring an emergency.

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

4 **Sec. 1.** RCW 82.29A.060 and 1975-'76 2nd ex.s. c 61 s 6 are each
5 amended to read as follows:

6 (1) All administrative provisions in chapters 82.02 and 82.32
7 RCW(~~, as now or hereafter amended~~) shall be applicable to taxes
8 imposed pursuant to this chapter(~~(: PROVIDED, That)~~).

9 (2) A lessee, or a sublessee in the case where the sublessee is
10 responsible for paying the tax imposed under this chapter, of property
11 used for residential purposes may petition the county board of
12 equalization for a change in appraised value when the department of
13 revenue establishes taxable rent under RCW 82.29A.020(2)(b) based on an
14 appraisal done by the county assessor at the request of the department.
15 The petition must be on forms prescribed or approved by the department
16 of revenue and any petition not conforming to those requirements or not
17 properly completed shall not be considered by the board. The petition
18 must be filed with the board within the time period set forth in RCW

1 84.40.038. A decision of the board of equalization may be appealed by
2 the taxpayer to the board of tax appeals as provided in RCW 84.08.130.

3 A sublessee, in the case where the sublessee is responsible for
4 paying the tax imposed under this chapter, of property used for
5 residential purposes may petition the department for a change in
6 taxable rent when the department of revenue establishes taxable rent
7 under RCW 82.29A.020(2)(b).

8 Any change in tax resulting from an appeal under this subsection
9 shall be allocated to the lessee or sublessee responsible for paying
10 the tax.

11 (3) This section shall not authorize the issuance of any levy upon
12 any property owned by the public lessor.

13 (4) In selecting leasehold excise tax returns for audit the
14 department of revenue shall give priority to any return an audit of
15 which is specifically requested in writing by the county assessor or
16 treasurer or other chief financial officer of any city or county
17 affected by such return. Notwithstanding the provisions of RCW
18 82.32.330, findings of fact and determinations of the amount of taxable
19 rent made pursuant to the provisions of this chapter shall be open to
20 public inspection at all reasonable times.

21 **Sec. 2.** RCW 82.29A.120 and 1986 c 285 s 2 are each amended to read
22 as follows:

23 After computation of the taxes imposed pursuant to RCW 82.29A.030
24 and 82.29A.040 there shall be allowed the following credits in
25 determining the tax payable:

26 (1) With respect to a leasehold interest other than a product
27 lease, executed with an effective date of April 1, 1986, or thereafter,
28 or a leasehold interest in respect to which the department of revenue
29 under the authority of RCW 82.29A.020 does adjust the contract rent
30 base used for computing the tax provided for in RCW 82.29A.030, there
31 shall be allowed a credit against the tax as otherwise computed equal
32 to the amount, if any, that such tax exceeds the property tax that
33 would apply to such leased property without regard to any property tax
34 exemption under RCW 84.36.381, if it were privately owned by the lessee
35 or if it were privately owned by any sublessee if the value of the
36 credit inures to the sublessee. For lessees and sublessees who would
37 qualify for a property tax exemption under RCW 84.36.381 if the
38 property were privately owned, the tax otherwise due after this credit

1 shall be reduced by a percentage equal to the percentage reduction in
2 property tax that would result from the property tax exemption under
3 RCW 84.36.381.

4 (2) With respect to a product lease, a credit of thirty-three
5 percent of the tax otherwise due.

6 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
7 preservation of the public peace, health, or safety, or support of the
8 state government and its existing public institutions, and shall take
9 effect immediately.

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