

2 **HB 1022** - H AMD 046

3 By Representatives G. Fisher and Van Luven

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5 On page 3, line 12, after "of" strike "twenty-eight" and insert  
6 "~~((twenty-eight))~~ thirty"

7 On page 4, after line 9, insert the following:

8 "**Sec. 4.** RCW 84.36.381 and 1995 c . . . s 1 (section 1 of this  
9 act) are each amended to read as follows:

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

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

22 (a) The residence is temporarily unoccupied;

23 (b) The residence is occupied by a spouse and/or a person  
24 financially dependent on the claimant for support; or

25 (c) The residence is rented for the purpose of paying nursing home  
26 or hospital costs;

27 (2) The person claiming the exemption must have owned, at the time  
28 of filing, in fee, as a life estate, or by contract purchase, the  
29 residence on which the property taxes have been imposed or if the  
30 person claiming the exemption lives in a cooperative housing  
31 association, corporation, or partnership, such person must own a share  
32 therein representing the unit or portion of the structure in which he  
33 or she resides. For purposes of this subsection, a residence owned by  
34 a marital community or owned by cotenants shall be deemed to be owned  
35 by each spouse or cotenant, and any lease for life shall be deemed a

1 life estate;

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

10 (4) The amount that the person shall be exempt from an obligation  
11 to pay shall be calculated on the basis of combined disposable income,  
12 as defined in RCW 84.36.383. If the person claiming the exemption was  
13 retired for two months or more of the assessment year, the combined  
14 disposable income of such person shall be calculated by multiplying the  
15 average monthly combined disposable income of such person during the  
16 months such person was retired by twelve. If the income of the person  
17 claiming exemption is reduced for two or more months of the assessment  
18 year by reason of the death of the person's spouse, or when other  
19 substantial changes occur in disposable income that are likely to  
20 continue for an indefinite period of time, the combined disposable  
21 income of such person shall be calculated by multiplying the average  
22 monthly combined disposable income of such person after such  
23 occurrences by twelve. If it is necessary to estimate income to comply  
24 with this subsection, the assessor may require confirming documentation  
25 of such income prior to May 31 of the year following application;

26 (5)(a) A person who otherwise qualifies under this section and has  
27 a combined disposable income of (~~twenty-eight~~) thirty thousand  
28 dollars or less shall be exempt from all excess property taxes; and

29 (b)(i) A person who otherwise qualifies under this section and has  
30 a combined disposable income of eighteen thousand dollars or less but  
31 greater than fifteen thousand dollars shall be exempt from all regular  
32 property taxes on the greater of thirty thousand dollars or thirty  
33 percent of the valuation of his or her residence, but not to exceed  
34 fifty thousand dollars of the valuation of his or her residence; or

35 (ii) A person who otherwise qualifies under this section and has a  
36 combined disposable income of fifteen thousand dollars or less shall be  
37 exempt from all regular property taxes on the greater of thirty-four  
38 thousand dollars or fifty percent of the valuation of his or her  
39 residence; and

1       (6) For a person who otherwise qualifies under this section and has  
2 a combined disposable income of thirty thousand dollars or less, the  
3 valuation of the residence shall be the true and fair value of the  
4 residence on the later of January 1, 1995, or January 1st of the year  
5 the person first qualifies under this section. If the person  
6 subsequently fails to qualify under this section only for one year  
7 because of high income, this same valuation shall be used upon  
8 requalification. If the person fails to qualify for more than one year  
9 in succession because of high income or fails to qualify for any other  
10 reason, the valuation upon requalification shall be the true and fair  
11 value on January 1st of the year in which the person requalifies. If  
12 the person transfers the exemption under this section to a different  
13 residence, the valuation of the different residence shall be the true  
14 and fair value of the different residence on January 1st of the year in  
15 which the person transfers the exemption.

16       In no event may the valuation under this subsection be greater than  
17 the true and fair value of the residence on January 1st of the  
18 assessment year.

19       This subsection does not apply to subsequent improvements to the  
20 property in the year in which the improvements are made. Subsequent  
21 improvements to the property shall be added to the value otherwise  
22 determined under this subsection at their true and fair value in the  
23 year in which they are made.

24       NEW SECTION. Sec. 5. A new section is added to chapter 84.40 RCW  
25 to read as follows:

26       The assessor shall maintain an assessed valuation in accordance  
27 with the approved revaluation cycle for a residence owned by a person  
28 qualifying for exemption under RCW 84.36.381 in addition to the  
29 valuation required under RCW 84.36.381(6). Upon a change in the true  
30 and fair value of the residence, the assessor shall notify the person  
31 qualifying for exemption under RCW 84.36.381 of the new true and fair  
32 value and that the new true and fair value will be used to compute  
33 property taxes if the property fails to qualify for exemption under RCW  
34 84.36.381.

35       NEW SECTION. Sec. 6. Sections 4 and 5 of this act apply to taxes  
36 levied in 1995 for collection in 1996 and thereafter."

1           Renumber the remaining sections consecutively, correct any internal  
2 references accordingly, and correct the title.

3 **HB 1022** - H AMD  
4           By Representative G. Fisher

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6           On page 4, line 25, after "1995" insert ", except sections 4  
7 through 6 of this act shall take effect only if specific funding for  
8 the administrative costs of section 4 of this act, referencing this act  
9 by bill number, is provided by June 30, 1995, in the omnibus  
10 appropriations act. If such funding is not provided, sections 4  
11 through 6 of this act shall be null and void"

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