

2 ESSB 5001 - H COMM AMD
3 By Committee on Finance

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5 Strike everything after the enacting clause and insert the
6 following:

7 "Sec. 1. RCW 84.36.381 and 1994 sp.s. c 8 s 1 are each amended to
8 read as follows:

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

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

21 (a) The residence is temporarily unoccupied;

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

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

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

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

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

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

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

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

1 ~~(6) For a person who otherwise qualifies under this section and has~~
2 ~~a combined disposable income of twenty-eight thousand dollars or less,~~
3 ~~the taxable value of the residence shall not exceed the lesser of (a)~~
4 ~~the assessed value of the residence as reduced by the exemption under~~
5 ~~subsection (5) of this section, if any, or (b) the taxable value of the~~
6 ~~residence for the previous year, increased by the inflation factor for~~
7 ~~the assessment year. For counties that do not revalue property~~
8 ~~annually, the amount under (b) of this subsection shall be the previous~~
9 ~~taxable value increased by the inflation factor for each assessment~~
10 ~~year since the previous revaluation of the residence. As used in this~~
11 ~~section, "inflation factor" means the percentage change used by the~~
12 ~~federal government in adjusting social security payments for inflation~~
13 ~~at the beginning of each year. The department shall provide inflation~~
14 ~~factors to the county assessors annually)).~~

15 NEW SECTION. **Sec. 2.** 1994 sp.s. c 8 s 3 (uncodified) is repealed.

16 NEW SECTION. **Sec. 3.** Chapter 8, Laws of 1994 sp. sess. shall take
17 effect July 1, 1995, and shall be effective for taxes levied in 1995
18 for collection in 1996 and thereafter.

19 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
20 preservation of the public peace, health, or safety, or support of the
21 state government and its existing public institutions, and shall take
22 effect July 1, 1995."

23 Correct the title accordingly.

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