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**Finance Committee**

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**HB 1322**

**Brief Description:** Exempting from taxation certain property belonging to any federally recognized Indian tribe located in the state.

**Sponsors:** Representatives G. Simpson, Cairnes, McCoy and Roach.

**Brief Summary of Bill**

- Exempts from taxation property owned by a federally recognized Indian tribe and used for essential government services.

**Hearing Date:**

**Staff:** Bob Longman (786-7139).

**Background:**

All real and personal property in this State is subject to property tax each year based on its value, unless a specific exemption is provided by law. Property owned by the United States, the State of Washington, counties, cities, and other local governments is exempted from property tax by the State Constitution. The Legislature is authorized to exempt other property by statute, and has enacted a number of exemptions for property owned by various nonprofit organizations.

The question of whether property owned by an Indian tribe is exempt from tax can be a complicated legal matter. Often, tribal property is held in trust for the tribe by the United States, and is therefore exempt from tax. Other property owned by a tribe may not qualify as trust land and may not be exempt.

**Summary of Bill:**

Property owned by a federally recognized Indian tribe, and used for essential government services, is exempt from property tax.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.