
HOUSE BILL 2460

State of Washington

60th Legislature

2008 Regular Session

By Representative Fromhold

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1 AN ACT Relating to the leasehold excise tax exemption for leasehold
2 interests in specified amphitheater property; and amending RCW
3 82.29A.130.

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

5 **Sec. 1.** RCW 82.29A.130 and 2007 c 90 s 1 are each amended to read
6 as follows:

7 The following leasehold interests shall be exempt from taxes
8 imposed pursuant to RCW 82.29A.030 and 82.29A.040:

9 (1) All leasehold interests constituting a part of the operating
10 properties of any public utility which is assessed and taxed as a
11 public utility pursuant to chapter 84.12 RCW.

12 (2) All leasehold interests in facilities owned or used by a
13 school, college or university which leasehold provides housing for
14 students and which is otherwise exempt from taxation under provisions
15 of RCW 84.36.010 and 84.36.050.

16 (3) All leasehold interests of subsidized housing where the fee
17 ownership of such property is vested in the government of the United
18 States, or the state of Washington or any political subdivision thereof
19 but only if income qualification exists for such housing.

1 (4) All leasehold interests used for fair purposes of a nonprofit
2 fair association that sponsors or conducts a fair or fairs which
3 receive support from revenues collected pursuant to RCW 67.16.100 and
4 allocated by the director of the department of agriculture where the
5 fee ownership of such property is vested in the government of the
6 United States, the state of Washington or any of its political
7 subdivisions: PROVIDED, That this exemption shall not apply to the
8 leasehold interest of any sublessee of such nonprofit fair association
9 if such leasehold interest would be taxable if it were the primary
10 lease.

11 (5) All leasehold interests in any property of any public entity
12 used as a residence by an employee of that public entity who is
13 required as a condition of employment to live in the publicly owned
14 property.

15 (6) All leasehold interests held by enrolled Indians of lands owned
16 or held by any Indian or Indian tribe where the fee ownership of such
17 property is vested in or held in trust by the United States and which
18 are not subleased to other than to a lessee which would qualify
19 pursuant to this chapter, RCW 84.36.451 and 84.40.175.

20 (7) All leasehold interests in any real property of any Indian or
21 Indian tribe, band, or community that is held in trust by the United
22 States or is subject to a restriction against alienation imposed by the
23 United States: PROVIDED, That this exemption shall apply only where it
24 is determined that contract rent paid is greater than or equal to
25 ninety percent of fair market rental, to be determined by the
26 department of revenue using the same criteria used to establish taxable
27 rent in RCW 82.29A.020(2)(b).

28 (8) All leasehold interests for which annual taxable rent is less
29 than two hundred fifty dollars per year. For purposes of this
30 subsection leasehold interests held by the same lessee in contiguous
31 properties owned by the same lessor shall be deemed a single leasehold
32 interest.

33 (9) All leasehold interests which give use or possession of the
34 leased property for a continuous period of less than thirty days:
35 PROVIDED, That for purposes of this subsection, successive leases or
36 lease renewals giving substantially continuous use of possession of the
37 same property to the same lessee shall be deemed a single leasehold
38 interest: PROVIDED FURTHER, That no leasehold interest shall be deemed

1 to give use or possession for a period of less than thirty days solely
2 by virtue of the reservation by the public lessor of the right to use
3 the property or to allow third parties to use the property on an
4 occasional, temporary basis.

5 (10) All leasehold interests under month-to-month leases in
6 residential units rented for residential purposes of the lessee pending
7 destruction or removal for the purpose of constructing a public highway
8 or building.

9 (11) All leasehold interests in any publicly owned real or personal
10 property to the extent such leasehold interests arises solely by virtue
11 of a contract for public improvements or work executed under the public
12 works statutes of this state or of the United States between the public
13 owner of the property and a contractor.

14 (12) All leasehold interests that give use or possession of state
15 adult correctional facilities for the purposes of operating
16 correctional industries under RCW 72.09.100.

17 (13) All leasehold interests used to provide organized and
18 supervised recreational activities for persons with disabilities of all
19 ages in a camp facility and for public recreational purposes by a
20 nonprofit organization, association, or corporation that would be
21 exempt from property tax under RCW 84.36.030(1) if it owned the
22 property. If the publicly owned property is used for any taxable
23 purpose, the leasehold excise taxes set forth in RCW 82.29A.030 and
24 82.29A.040 shall be imposed and shall be apportioned accordingly.

25 (14) All leasehold interests in the public or entertainment areas
26 of a baseball stadium with natural turf and a retractable roof or
27 canopy that is in a county with a population of over one million, that
28 has a seating capacity of over forty thousand, and that is constructed
29 on or after January 1, 1995. "Public or entertainment areas" include
30 ticket sales areas, ramps and stairs, lobbies and concourses, parking
31 areas, concession areas, restaurants, hospitality and stadium club
32 areas, kitchens or other work areas primarily servicing other public or
33 entertainment areas, public rest room areas, press and media areas,
34 control booths, broadcast and production areas, retail sales areas,
35 museum and exhibit areas, scoreboards or other public displays, storage
36 areas, loading, staging, and servicing areas, seating areas and suites,
37 the playing field, and any other areas to which the public has access
38 or which are used for the production of the entertainment event or

1 other public usage, and any other personal property used for these
2 purposes. "Public or entertainment areas" does not include locker
3 rooms or private offices exclusively used by the lessee.

4 (15) All leasehold interests in the public or entertainment areas
5 of a stadium and exhibition center, as defined in RCW 36.102.010, that
6 is constructed on or after January 1, 1998. For the purposes of this
7 subsection, "public or entertainment areas" has the same meaning as in
8 subsection (14) of this section, and includes exhibition areas.

9 (16) All leasehold interests in public facilities districts, as
10 provided in chapter 36.100 or 35.57 RCW.

11 (17) All leasehold interests in property that is: (a) Owned by the
12 United States government or a municipal corporation; (b) listed on any
13 federal or state register of historical sites; and (c) wholly contained
14 within a designated national historic reserve under 16 U.S.C. Sec. 461.

15 (18) All leasehold interests in the public or entertainment areas
16 of an amphitheater if a private entity is responsible for one hundred
17 percent of the cost of constructing the amphitheater which is not
18 reimbursed by the public owner, both the public owner and the private
19 lessee sponsor events at the facility on a regular basis, the lessee is
20 responsible under the lease or agreement to operate and maintain the
21 facility, and the amphitheater has a seating capacity of over seventeen
22 thousand reserved and general admission seats and is in a county
23 ((with)) that had a population of over three hundred fifty thousand,
24 but less than four hundred twenty-five thousand when the amphitheater
25 first opened to the public.

26 For the purposes of this subsection, "public or entertainment
27 areas" include box offices or other ticket sales areas, entrance gates,
28 ramps and stairs, lobbies and concourses, parking areas, concession
29 areas, restaurants, hospitality areas, kitchens or other work areas
30 primarily servicing other public or entertainment areas, public rest
31 room areas, press and media areas, control booths, broadcast and
32 production areas, retail sales areas, museum and exhibit areas,
33 scoreboards or other public displays, storage areas, loading, staging,
34 and servicing areas, seating areas including lawn seating areas and
35 suites, stages, and any other areas to which the public has access or
36 which are used for the production of the entertainment event or other
37 public usage, and any other personal property used for these purposes.

1 "Public or entertainment areas" does not include office areas used
2 predominately by the lessee.

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