

SSB 5882 - S AMD TO S AMD (S3073.1) 389  
By Senators Padden, Cleveland, Rivers

NOT ADOPTED 06/28/2013

1 On page 63, after line 29 of the amendment, insert the following:

2 "PART XIX

3 NONPROFIT RELIGIOUS ORGANIZATIONS

4 **Sec. 1901.** RCW 84.36.020 and 2010 c 186 s 2 are each amended to  
5 read as follows:

6 The following real and personal property is exempt from taxation:

7 (1) All lands, buildings, and personal property required for  
8 necessary administration and maintenance, used, or to the extent used,  
9 exclusively for public burying grounds or cemeteries without  
10 discrimination as to race, color, national origin or ancestry;

11 (2)(a) All churches, personal property, and the ground, not  
12 exceeding five acres in area, upon which a church of any nonprofit  
13 recognized religious denomination is or will be built, together with a  
14 parsonage, convent, and buildings and improvements required for the  
15 maintenance and safeguarding of such property. The area exempted in  
16 any case includes all ground covered by the church, parsonage, convent,  
17 and buildings and improvements required for the maintenance and  
18 safeguarding of such property and the structures and ground necessary  
19 for street access, parking, light, and ventilation, but the area of  
20 unoccupied ground exempted in such cases, in connection with church,  
21 parsonage, convent, and buildings and improvements required for the  
22 maintenance and safeguarding of such property, does not exceed the  
23 equivalent of one hundred twenty by one hundred twenty feet except  
24 where additional unoccupied land may be required to conform with state  
25 or local codes, zoning, or licensing requirements. The parsonage and  
26 convent need not be on land contiguous to the church property. Except  
27 as otherwise provided in this subsection, to be exempt the property  
28 must be wholly used for church purposes.

1 (b)(i) The exemption provided in this subsection (2) is not  
2 nullified by:

3 (A) The loan or rental of property otherwise exempt under this  
4 subsection (2) to a nonprofit organization, association, or  
5 corporation, or school for use for:

6 (I) An eleemosynary activity ((~~or for use for~~)); or

7 (II) Activities related to a farmers market, ((~~does not nullify the~~  
8 exemption provided in this subsection if the rental income, if any, is  
9 reasonable and is devoted solely to the operation and maintenance of  
10 the property. However,)) if such activities ((~~related to a farmers~~  
11 market may)) do not occur on the property more than fifty-three days  
12 each assessment year. For the purposes of this section, "farmers  
13 market" has the same meaning as "qualifying farmers market" as defined  
14 in RCW 66.24.170; or

15 (B) The use of the property for pecuniary gain, if the use of the  
16 property is a fund-raising activity for the nonprofit religious  
17 organization and such use does not exceed fifteen days each assessment  
18 year.

19 (ii) Rental income, if any, for uses specified under (b)(i) of this  
20 subsection (2) must be reasonable and devoted to the operation and  
21 maintenance of the property or capital improvements for the property.

22 **Sec. 1902.** RCW 84.36.020 and 1994 c 124 s 16 are each amended to  
23 read as follows:

24 The following real and personal property ((~~shall be~~)) is exempt  
25 from taxation:

26 (1) All lands, buildings, and personal property required for  
27 necessary administration and maintenance, used, or to the extent used,  
28 exclusively for public burying grounds or cemeteries without  
29 discrimination as to race, color, national origin or ancestry;

30 (2)(a) All churches, personal property, and the ground, not  
31 exceeding five acres in area, upon which a church of any nonprofit  
32 recognized religious denomination is or ((~~shall~~)) will be built,  
33 together with a parsonage, convent, and buildings and improvements  
34 required for the maintenance and safeguarding of such property. The  
35 area exempted ((~~shall~~)) in any case includes all ground covered by the  
36 church, parsonage, convent, and buildings and improvements required for  
37 the maintenance and safeguarding of such property and the structures

1 and ground necessary for street access, parking, light, and  
2 ventilation, but the area of unoccupied ground exempted in such cases,  
3 in connection with church, parsonage, convent, and buildings and  
4 improvements required for the maintenance and safeguarding of such  
5 property, (~~shall~~) does not exceed the equivalent of one hundred  
6 twenty by one hundred twenty feet except where additional unoccupied  
7 land may be required to conform with state or local codes, zoning, or  
8 licensing requirements. The parsonage and convent need not be on land  
9 contiguous to the church property. To be exempt the property must be  
10 wholly used for church purposes(~~(:—PROVIDED, That)~~)

11 (b)(i) The exemption provided in this subsection (2) is not  
12 nullified by:

13 (A) The loan or rental of property otherwise exempt under this  
14 (~~paragraph~~) subsection (2) to a nonprofit organization, association,  
15 or corporation, or school for use for an eleemosynary activity (~~shall~~  
16 not nullify the exemption provided in this paragraph if the rental  
17 income, if any, is reasonable and is devoted solely to the operation  
18 and maintenance of the property)); or

19 (B) The use of the property for pecuniary gain, if the use of the  
20 property is a fund-raising activity for the nonprofit religious  
21 organization and such use does not exceed fifteen days each assessment  
22 year.

23 (ii) Rental income, if any, for uses specified under (b)(i) of this  
24 subsection (2) must be reasonable and devoted to the operation and  
25 maintenance of the property or capital improvements for the property.

26 NEW SECTION. Sec. 1903. Section 1901 of this act expires December  
27 31, 2020.

28 NEW SECTION. Sec. 1904. Section 1902 of this act takes effect  
29 December 31, 2020."

30 Renumber the remaining sections and part headings consecutively and  
31 correct any internal references accordingly.

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By Senators Padden, Cleveland, Rivers

**NOT ADOPTED 06/28/2013**

1           On page 64, line 21 of the title amendment, after "82.08.963,"  
2           strike "and 82.12.963" and insert "82.12.963, 84.36.020, and 84.36.020"

EFFECT: Allows a nonprofit religious organization to loan or rent its property for nonqualifying uses up to 15 days each year without nullifying its property tax exemption.

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