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**HOUSE BILL 1892**

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**State of Washington 65th Legislature 2017 Regular Session**

**By** Representative MacEwen

AN ACT Relating to simplifying the taxation of amenities owned by homeowners' associations; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating new sections; providing an effective date; and declaring an emergency.

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

NEW SECTION. **Sec.**  (1) This section is the tax preference performance statement for the tax preference contained in sections 2 and 3 of this act. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes the tax preference created in this act as one intended to reduce structural inefficiencies in the tax structure as indicated in RCW 82.32.808(2)(d).

(3) It is the legislature's specific public policy objective to provide permanent tax relief that corrects the structural inefficiencies regarding the taxation of homeowners' association members for the use of certain common areas that their association owns.

NEW SECTION. **Sec.**  A new section is added to chapter 82.08 RCW to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to the portion of the membership dues or fees paid by a member of a homeowners' association for access or admission to any common area owned and operated by the homeowners' association for golfing.

(2) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Common area" has the same meaning as provided in RCW 64.38.010, and does not include any area owned and operated wholly or partially by an association created under chapter 64.32 or 64.34 RCW.

(b) "Homeowners' association" or "association" has the same meaning as provided in RCW 64.38.010 and does not include an association created under chapter 64.32 or 64.34 RCW.

(c) "Member" means a member of a homeowners' association.

NEW SECTION. **Sec.**  A new section is added to chapter 82.12 RCW to read as follows:

(1) The provisions of this section do not apply to the portion of the membership dues or fees paid by a member of a homeowners' association for access or admission to any common area owned and operated by the homeowners' association for golfing.

(2) The definitions in section 2 of this act apply to this section.

NEW SECTION. **Sec.**  RCW 82.32.805 and 82.32.808 do not apply to this act.

NEW SECTION. **Sec.**  Sections 2 and 3 of this act apply to the charges paid by members on or after July 1, 2017.

NEW SECTION. **Sec.**  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2017.

**--- END ---**