**5287-S2.E AMH ORCU H1527.1 - NOT FOR FLOOR USE**

**E2SSB 5287** - H AMD TO FIN COMM AMD (H-1430.3/21) **684**

By Representative Orcutt

**NOT ADOPTED 04/10/2021**

On page 7, line 16, after "period," insert "including any extension,"

On page 7, line 17, after "~~shall~~))" insert "current"

On page 7, beginning on line 20, after "RCW" strike all material through "chapter" on line 21

On page 15, line 10, after "period, the" insert "current"

On page 15, beginning on line 13, after "RCW" strike all material through "chapter" on line 14

On page 19, after line 37, insert the following:

"**Sec.**  RCW 84.14.070 and 2012 c 194 s 7 are each amended to read as follows:

(1) The governing authority or an administrative official or commission authorized by the governing authority must approve or deny an application filed under this chapter within ninety days after receipt of the application.

(2) If the application is approved, the city or county must ((~~issue~~)):

(a) Issue the owner of the property a conditional certificate of acceptance of tax exemption. The certificate must contain a statement by a duly authorized administrative official of the governing authority that the property has complied with the required findings indicated in RCW 84.14.060; and

(b) Notify the county assessor within 10 days, or by July 31st of the year the application is approved, whichever comes first.

(3)(a) A property for which a conditional certificate of tax exemption is issued will be exempt from ad valorem property taxation for the duration of the construction or rehabilitation period beginning January 1st of the year immediately following the issuance of the conditional certificate.

(b) Except as provided under (c) of this subsection, the value of construction, conversion, or rehabilitation improvements is not considered as new construction for purposes of chapter 84.55 RCW until after the exemption provided under RCW 84.14.020, including any extension, or under section 7 of this act, expires.

(c) The exemption must cease and the county treasurer must collect all taxes which would have been paid had the property not been exempt under (a) of this subsection if:

(i) A property becomes ineligible during its construction or rehabilitation period;

(ii) Construction on a property is not completed by the deadline provided in RCW 84.14.090, including any extension as provided in RCW 84.14.090(5);

(iii) The applicant voluntarily withdraws the application; or

(iv) The application is denied for any reason.

(d) The exemption provided under (a) of this subsection expires when the exemption provided under RCW 84.14.020 or section 7 of this act begins.

(4) If the application is denied by the authorized administrative official or commission authorized by the governing authority, the deciding administrative official or commission must state in writing the reasons for denial and send the notice to the applicant at the applicant's last known address within ten days of the denial.

((~~(4)~~)) (5) Upon denial by a duly authorized administrative official or commission, an applicant may appeal the denial to the governing authority within thirty days after receipt of the denial. The appeal before the governing authority must be based upon the record made before the administrative official with the burden of proof on the applicant to show that there was no substantial evidence to support the administrative official's decision. The decision of the governing body in denying or approving the application is final."

EFFECT: (1) Provides that the value of construction, conversion, or rehabilitation improvements is not added to the tax rolls as new construction until the expiration of the multifamily property tax exemption.

(2) Provides a property tax exemption during the construction or rehabilitation period for properties for which a conditional certificate of tax exemption has been issued. Provides that the exemption is canceled and all exempt taxes become due if: The property becomes ineligible for the exemption, construction is not completed within the designated timeline, the applicant withdraws his or her application, or the application is denied for any reason.

(3) Provides that following the approval of a multifamily property tax exemption, the city or county must notify the county assessor within 10 days, or by July 31st of that year, whichever comes first.