

SENATE BILL REPORT

SB 5528

As of February 16, 1995

Title: An act relating to property tax relief for residential property leased to disabled persons.

Brief Description: Providing property tax relief for residential property leased to disabled persons.

Sponsors: Senators West, Morton and Winsley.

Brief History:

Committee Activity: Ways & Means: 2/14/95.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Terry Wilson (786-7715)

Background: Some senior citizens and persons retired due to disability are entitled to property tax relief on their principal residences. To qualify, a person must be 61 in the year of application or retired from employment because of a physical disability, own his or her principal residence, and have a disposable income below specified levels.

To be eligible for an exemption, the disposable income of the applicant's household must fall below \$26,000 a year. A partial property tax exemption is provided according to the following table:

<u>Income</u>	<u>Exemption</u>
\$18,001 to \$26,000	All excess levies
\$15,001 to \$18,000	All excess levies Regular levy on greater of \$30,000 or 30 percent of valuation (\$50,000 valuation maximum)
\$15,000 or less	All excess levies Regular levy on greater of \$34,000 or 50 percent of valuation

Summary of Bill: The senior citizen property tax exemption program is extended to persons who rent to disabled tenants based on the household income of the tenant.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect January 1, 1996, if SJR 8211 is approved at the November 1995 general election.

Testimony For: It is difficult for disabled people who are not well off enough to own a house and who are on fixed incomes to pay increasing rents from rising property taxes. This encourages landlords to install ramps and devices needed by the disabled.

Testimony Against: This would be the first exemption that does not enure to the recipient.

Testified: Senator West, prime sponsor (pro); Joseph D. Whaley, M.S. Society Coalition of Responsible Disabled (pro); Linda Lethlean, DOR.