

FINAL BILL REPORT

SSB 6737

C 202 L 98
Synopsis as Enacted

Brief Description: Regulating property taxation of residential housing occupied by low-income developmentally disabled persons.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Deccio, Wojahn, Wood, Patterson, West, Fraser, Thibaudeau, Morton, Schow, Winsley, Oke, Prentice, B. Sheldon and Rasmussen).

Senate Committee on Ways & Means
House Committee on Finance

Background: All property in this state is subject to the property tax each year based on the property's value unless a specific exemption is provided by law. The only class of property which is exempt by the state Constitution is that owned by the United States, the state, its counties, school districts, and other municipal corporations, but the state Constitution allows the Legislature to exempt other property from taxation.

Major property tax exemptions for nonprofit organizations include churches, hospitals, nursing homes, homes for the aging, blood banks, the Red Cross, private schools and colleges, sheltered workshops, day care centers, assembly halls and meeting places, libraries, and youth organizations.

Summary: All real and personal property owned or leased by a nonprofit organization qualified for exemption under section 501(c)(3) of the federal Internal Revenue Code to provide housing for eligible persons with developmental disabilities is exempt from property taxation.

The housing must be occupied by developmentally disabled persons whose adjusted gross incomes are 80 percent or less of the median income for the county, adjusted for family size.

For property that is leased, the benefit of the exemption must inure to the nonprofit organization.

Votes on Final Passage:

Senate	48 0
House	97 0

Effective: June 11, 1998