
HOUSE BILL 2779

State of Washington

62nd Legislature

2012 Regular Session

By Representative Hudgins

Read first time 02/09/12. Referred to Committee on Ways & Means.

1 AN ACT Relating to reducing the period in which additional taxes
2 are collected when nonprofit organizations receiving property tax
3 exemptions for property used to provide certain housing for low-income
4 persons, victims of domestic violence, and rental space for low-income
5 mobile home owners cease to use the property for the exempted use; and
6 amending RCW 84.36.810.

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

8 **Sec. 1.** RCW 84.36.810 and 2006 c 305 s 4 are each amended to read
9 as follows:

10 (1)(a) Upon cessation of a use under which an exemption has been
11 granted pursuant to RCW 84.36.030, 84.36.037, 84.36.040, 84.36.041,
12 84.36.042, (~~(84.36.043,)~~) 84.36.046, 84.36.050, 84.36.060, 84.36.550,
13 (~~(84.36.560,)~~) 84.36.570, and 84.36.650, except as provided in (b) of
14 this subsection, the county treasurer (~~(shall)~~) must collect all taxes
15 (~~(which)~~) that would have been paid had the property not been exempt
16 during the three years preceding, or the life of such exemption(~~(-)~~) if
17 such (~~(be)~~) amount is less, together with the interest at the same rate
18 and computed in the same way as that upon delinquent property taxes.

1 If the property has been granted an exemption for more than ten
2 consecutive years, taxes and interest (~~(shall)~~) are not (~~(be)~~) assessed
3 under this section.

4 (b) Upon cessation of use by an institution of higher education of
5 property exempt under RCW 84.36.050(2) the county treasurer (~~(shall)~~)
6 must collect all taxes which would have been paid had the property not
7 been exempt during the seven years preceding, or the life of the
8 exemption, whichever is less.

9 (c) Upon cessation of a use under which an exemption has been
10 granted pursuant to RCW 84.36.043 or 84.36.560, the county treasurer
11 must collect all taxes that would have been paid had the property not
12 been exempt during the year preceding, or the life of such exemption if
13 such amount is less, together with the interest at the same rate and
14 computed in the same way as that upon delinquent property taxes. If
15 the property has been granted an exemption for more than ten
16 consecutive years, taxes and interest are not assessed under this
17 section.

18 (2) Subsection (1) of this section applies only when ownership of
19 the property is transferred or when fifty-one percent or more of the
20 area of the property loses its exempt status. The additional tax under
21 subsection (1) of this section (~~(shall)~~) is not (~~(be)~~) imposed if the
22 cessation of use resulted solely from:

23 (a) Transfer to a nonprofit organization, association, or
24 corporation for a use which also qualifies and is granted exemption
25 under this chapter;

26 (b) A taking through the exercise of the power of eminent domain,
27 or sale or transfer to an entity having the power of eminent domain in
28 anticipation of the exercise of such power;

29 (c) Official action by an agency of the state of Washington or by
30 the county or city within which the property is located which disallows
31 the present use of such property;

32 (d) A natural disaster such as a flood, windstorm, earthquake, or
33 other such calamity rather than by virtue of the act of the
34 organization, association, or corporation changing the use of such
35 property;

36 (e) Relocation of the activity and use of another location or site
37 except for undeveloped properties of camp facilities exempted under RCW
38 84.36.030;

1 (f) Cancellation of a lease on leased property that had been exempt
2 under this chapter;
3 (g) A change in the exempt portion of a home for the aging under
4 RCW 84.36.041(3), as long as some portion of the home remains exempt;
5 or
6 (h) Transfer to an agency of the state of Washington or the city or
7 county within which the property is located.
8 (3) Subsection (2)(e) and (f) of this section (~~do~~does) does
9 not apply to property leased to a state institution of higher education
10 and exempt under RCW 84.36.050(2).

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