
SENATE BILL 5186

State of Washington 64th Legislature 2015 Regular Session

By Senators Benton, Hasegawa, Sheldon, and Keiser

Read first time 01/15/15. Referred to Committee on Ways & Means.

1 AN ACT Relating to allowing certain health care coverage
2 deductions from the calculation of disposable income for the purpose
3 of qualifying for senior property tax programs; and amending RCW
4 84.36.383.

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

6 **Sec. 1.** RCW 84.36.383 and 2012 c 10 s 74 are each amended to
7 read as follows:

8 As used in RCW 84.36.381 through 84.36.389, except where the
9 context clearly indicates a different meaning:

10 (1) The term "residence" means a single family dwelling unit
11 whether such unit be separate or part of a multiunit dwelling,
12 including the land on which such dwelling stands not to exceed one
13 acre, except that a residence includes any additional property up to
14 a total of five acres that comprises the residential parcel if this
15 larger parcel size is required under land use regulations. The term
16 also includes a share ownership in a cooperative housing association,
17 corporation, or partnership if the person claiming exemption can
18 establish that his or her share represents the specific unit or
19 portion of such structure in which he or she resides. The term also
20 includes a single family dwelling situated upon lands the fee of
21 which is vested in the United States or any instrumentality thereof

1 including an Indian tribe or in the state of Washington, and
2 notwithstanding the provisions of RCW 84.04.080 and 84.04.090, such a
3 residence is deemed real property.

4 (2) The term "real property" also includes a mobile home which
5 has substantially lost its identity as a mobile unit by virtue of its
6 being fixed in location upon land owned or leased by the owner of the
7 mobile home and placed on a foundation (posts or blocks) with fixed
8 pipe, connections with sewer, water, or other utilities. A mobile
9 home located on land leased by the owner of the mobile home is
10 subject, for tax billing, payment, and collection purposes, only to
11 the personal property provisions of chapter 84.56 RCW and RCW
12 84.60.040.

13 (3) "Department" means the state department of revenue.

14 (4) "Combined disposable income" means the disposable income of
15 the person claiming the exemption, plus the disposable income of his
16 or her spouse or domestic partner, and the disposable income of each
17 cotenant occupying the residence for the assessment year, less
18 amounts paid by the person claiming the exemption or his or her
19 spouse or domestic partner during the assessment year for:

20 (a) Drugs supplied by prescription of a medical practitioner
21 authorized by the laws of this state or another jurisdiction to issue
22 prescriptions;

23 (b) The treatment or care of either person received in the home
24 or in a nursing home, assisted living facility, or adult family home;
25 ((and))

26 (c) Health care insurance premiums for health care coverage,
27 including dental coverage, vision coverage, copayments, and for
28 medicare under Title XVIII of the social security act;

29 (d) Durable medical equipment and mobility enhancing equipment,
30 as defined in RCW 82.08.0283; and

31 (e) Long-term care insurance, as defined in RCW 48.84.020.

32 (5) "Disposable income" means adjusted gross income as defined in
33 the federal internal revenue code, as amended prior to January 1,
34 1989, or such subsequent date as the director may provide by rule
35 consistent with the purpose of this section, plus all of the
36 following items to the extent they are not included in or have been
37 deducted from adjusted gross income:

38 (a) Capital gains, other than gain excluded from income under
39 ((section)) Title 26 U.S.C. Sec. 121 of the federal internal revenue
40 code to the extent it is reinvested in a new principal residence;

1 (b) Amounts deducted for loss;
2 (c) Amounts deducted for depreciation;
3 (d) Pension and annuity receipts;
4 (e) Military pay and benefits other than attendant-care and
5 medical-aid payments;
6 (f) Veterans benefits, other than:
7 (i) Attendant-care payments;
8 (ii) Medical-aid payments;
9 (iii) Disability compensation, as defined in Title 38, part 3,
10 section 3.4 of the code of federal regulations, as of January 1,
11 2008; and
12 (iv) Dependency and indemnity compensation, as defined in Title
13 38, part 3, section 3.5 of the code of federal regulations, as of
14 January 1, 2008;
15 (g) Federal social security act and railroad retirement benefits;
16 (h) Dividend receipts; and
17 (i) Interest received on state and municipal bonds.
18 (6) "Cotenant" means a person who resides with the person
19 claiming the exemption and who has an ownership interest in the
20 residence.
21 (7) "Disability" has the same meaning as provided in 42 U.S.C.
22 Sec. 423(d)(1)(A) as amended prior to January 1, 2005, or such
23 subsequent date as the department may provide by rule consistent with
24 the purpose of this section.

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