
SENATE BILL 6026

State of Washington

60th Legislature

2007 Regular Session

By Senator Benton

Read first time 02/14/2007. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to excluding medical expenses for property tax
2 exemption purposes from the income eligibility requirements for persons
3 sixty-one years of age or older, armed forces veterans with
4 service-connected disabilities, and persons retired because of
5 disability; amending RCW 84.36.383; and creating a new section.

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

7 **Sec. 1.** RCW 84.36.383 and 2006 c 62 s 1 are each amended to read
8 as follows:

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

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

1 unit or portion of such structure in which he or she resides. The term
2 shall also include a single family dwelling situated upon lands the fee
3 of which is vested in the United States or any instrumentality thereof
4 including an Indian tribe or in the state of Washington, and
5 notwithstanding the provisions of RCW 84.04.080 and 84.04.090, such a
6 residence shall be deemed real property.

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

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

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

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

25 (b) The treatment or care of either person received in the home or
26 in a nursing home, boarding home, or adult family home; (~~and~~)

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

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

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

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

1 (a) Capital gains, other than gain excluded from income under
2 section 121 of the federal internal revenue code to the extent it is
3 reinvested in a new principal residence;

4 (b) Amounts deducted for loss;

5 (c) Amounts deducted for depreciation;

6 (d) Pension and annuity receipts;

7 (e) Military pay and benefits other than attendant-care and
8 medical-aid payments;

9 (f) Veterans benefits other than attendant-care and medical-aid
10 payments;

11 (g) Federal social security act and railroad retirement benefits;

12 (h) Dividend receipts; and

13 (i) Interest received on state and municipal bonds.

14 (6) "Cotenant" means a person who resides with the person claiming
15 the exemption and who has an ownership interest in the residence.

16 (7) "Disability" has the same meaning as provided in 42 U.S.C. Sec.
17 423(d)(1)(A) as amended prior to January 1, 2004, or such subsequent
18 date as the director may provide by rule consistent with the purpose of
19 this section.

20 NEW SECTION. **Sec. 2.** This act applies to taxes levied for
21 collection in 2008 and thereafter.

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