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HOUSE BILL 2039

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State of Washington

60th Legislature

2007 Regular Session

By Representatives Kelley, Morrell, Green, Jarrett, Linville, Warnick, Bailey, Grant, Roach, McDonald, Walsh, Rodne, Wallace, Buri, Priest, Williams, Dunn, Upthegrove, Darneille, Appleton, Campbell, Ericks, Ormsby, Simpson, Conway and Hurst

Read first time 02/06/2007. Referred to Committee on Finance.

1 AN ACT Relating to property tax deferral eligibility for senior  
2 citizens and persons retired because of disability; and amending RCW  
3 84.38.030.

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

5 **Sec. 1.** RCW 84.38.030 and 2006 c 62 s 3 are each amended to read  
6 as follows:

7 (1) If the conditions in subsections (2) through (6) of this  
8 section are met:

9 (a) A claimant with a disposable income of forty thousand dollars  
10 or less may defer payment of special assessments and/or real property  
11 taxes on up to eighty percent of the amount of the claimant's equity  
12 value in the claimant's residence ((if the following conditions are  
13 met+)); or

14 (b) A claimant with a disposable income of more than forty thousand  
15 dollars, but less than or equal to one hundred thousand dollars, may  
16 defer payment of special assessments and/or real property taxes on up  
17 to the lesser of: (i) Eighty percent of the amount of the claimant's  
18 equity value in the claimant's residence; or (ii) two hundred thousand  
19 dollars of the claimant's equity value in the claimant's residence.

1        ~~((1))~~ (2) The claimant must meet all requirements for an  
2 exemption for the residence under RCW 84.36.381, other than the age and  
3 income limits under RCW 84.36.381.

4        ~~((2))~~ (3) The claimant must be sixty years of age or older on  
5 December 31st of the year in which the deferral claim is filed, or must  
6 have been, at the time of filing, retired from regular gainful  
7 employment by reason of physical disability: PROVIDED, That any  
8 surviving spouse of a person who was receiving a deferral at the time  
9 of the person's death shall qualify if the surviving spouse is fifty-  
10 seven years of age or older and otherwise meets the requirements of  
11 this section.

12        ~~((3) The claimant must have a combined disposable income, as  
13 defined in RCW 84.36.383, of forty thousand dollars or less.))~~

14        (4) The claimant must have owned, at the time of filing, the  
15 residence on which the special assessment and/or real property taxes  
16 have been imposed. For purposes of this subsection, a residence owned  
17 by a marital community or owned by cotenants shall be deemed to be  
18 owned by each spouse or cotenant. A claimant who has only a share  
19 ownership in cooperative housing, a life estate, a lease for life, or  
20 a revocable trust does not satisfy the ownership requirement.

21        (5) The claimant must have and keep in force fire and casualty  
22 insurance in sufficient amount to protect the interest of the state in  
23 the claimant's equity value: PROVIDED, That if the claimant fails to  
24 keep fire and casualty insurance in force to the extent of the state's  
25 interest in the claimant's equity value, the amount deferred shall not  
26 exceed one hundred percent of the claimant's equity value in the land  
27 or lot only.

28        (6) In the case of special assessment deferral, the claimant must  
29 have opted for payment of such special assessments on the installment  
30 method if such method was available.

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