

HOUSE BILL REPORT

SHB 2280

As Passed House
February 10, 1994

Title: An act relating to the definition of residence for property tax relief for senior citizens and disabled persons.

Brief Description: Increasing the minimum lot size for property tax relief for senior citizens and disabled persons.

Sponsors: By House Committee on Revenue (originally sponsored by Representatives Holm, B. Thomas, Sheldon, Jones, Kessler and J. Kohl).

Brief History:

Reported by House Committee on:
Revenue, February 5, 1994, DPS;
Passed House, February 10, 1994, 89-0.

HOUSE COMMITTEE ON REVENUE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives G. Fisher, Chair; Holm, Vice Chair; Foreman, Ranking Minority Member; Anderson; Caver; Leonard; Romero; Rust; Silver; Talcott; Thibaudeau and Wang.

Staff: Rick Peterson (786-7150).

Background: For property tax purposes, property is assessed at its true and fair market value, unless the property qualifies under a special tax relief program.

Some senior citizens and persons retired due to disability are entitled to property tax relief as exemptions and deferrals of taxes on their principal residences. To qualify, a person must be 61 in the year of application or retired from employment because of a physical disability. They must also own their principal residence and have disposable income below certain levels. Eligible persons with incomes less than \$26,000 receive partial exemptions of tax. Eligible persons with incomes less than \$30,000 may defer taxes.

These property tax deferrals and exemptions apply only to the principal residence and the land on which it stands, not to exceed one acre.

Summary of Bill: The bill increases the maximum lot size for property tax relief for senior citizens and persons retired due to disability. The exempt portion of the lot may not exceed the lesser of five acres or the minimum legal lot size according to laws or regulations affecting the residence.

Fiscal Note: Available. Requested for substitute bill on February 7, 1994.

Effective Date: Ninety days after adjournment of session in which bill is passed. The bill is effective for taxes levied for collection in 1995 and thereafter.

Testimony For: This bill would benefit the many seniors with mobile homes located on parcels larger than one acre. They cannot readily move their homes.

Testimony Against: None.

Witnesses: Representative Barbara Holm, prime sponsor; Arnold Livingston, Mobilehome Owners' Tenant Association; and Fred Saeger, Washington Association of County Officials.