

SENATE BILL REPORT

SHB 1336

AS REPORTED BY COMMITTEE ON WAYS & MEANS, MARCH 22, 1993

Brief Description: Allowing property owned by nonprofit organizations to be used for certain activities without loss of property tax exemption.

SPONSORS: House Committee on Revenue (originally sponsored by Representatives Karahalios, Sehlin, Orr, Zellinsky, Dellwo, Hansen, Sheldon, Rayburn, Grant, Bray, Riley, Mastin, Linville, Basich, Campbell, Lemmon, Kremen, Flemming and Ogden)

HOUSE COMMITTEE ON REVENUE

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rinehart, Chairman; Spanel, Vice Chairman; Bauer, Cantu, Hochstatter, Jesernig, McDonald, Moyer, Pelz, Quigley, Roach, Snyder, Sutherland, Talmadge, West, and Wojahn.

Staff: Terry Wilson (786-7715)

Hearing Dates: March 22, 1993

BACKGROUND:

Nonprofit public assembly halls or meeting places and the property of veterans' organizations are exempt from property taxes.

The assembly hall or meeting place exemption is restricted to the buildings, the land under the buildings, and up to one acre of parking area. For essentially unimproved property, the exemption is limited to 29 acres. To qualify for exemption, the property must be used for public gatherings and be available to all organizations or persons desiring to use the property.

Neither exemption allows the property to be used for pecuniary gain or to promote business activities except for fund-raising activities of a nonprofit organization.

SUMMARY:

The property tax exemption for nonprofit public assembly halls and meeting places and property of veterans' organizations is not lost by:

1. The use for pecuniary gain is limited for periods of not more than three days in a year.

2. An inadvertent use of the property which is inconsistent with the purpose of the exemption if the use is not part of a pattern of use. An inadvertent use that is repeated in more than one assessment year is presumed to be part of a pattern of use.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR: None

TESTIMONY AGAINST: None

TESTIFIED: No one