

SENATE BILL REPORT

SHB 2280

AS REPORTED BY COMMITTEE ON WAYS & MEANS, FEBRUARY 23, 1994

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

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

**HOUSE COMMITTEE ON REVENUE**

**SENATE COMMITTEE ON WAYS & MEANS**

**Majority Report:** Do pass as amended.

Signed by Senators Rinehart, Chairman; Quigley, Vice Chairman; Anderson, Bluechel, Cantu, Gaspard, Hargrove, Hochstatter, Ludwig, McDonald, Moyer, Owen, Pelz, Roach, L. Smith, Snyder, Spanel, West, Williams and Wojahn.

**Staff:** Terry Wilson (786-7715)

**Hearing Dates:** February 23, 1994

**BACKGROUND:**

For property tax purposes, property is assessed at its 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:**

The maximum lot size for property tax relief for senior citizens and persons retired due to disability is increased. 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.

**SUMMARY OF PROPOSED COMMITTEE AMENDMENT:**

The maximum lot size is increased to five acres.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**Effective Date:** The bill is effective for taxes levied for collection in 1995 and thereafter.

**TESTIMONY FOR:** None

**TESTIMONY AGAINST:** None

**TESTIFIED:** No one