

**FINAL BILL REPORT**

**SSB 5134**

**C 327 L 93**

**SYNOPSIS AS ENACTED**

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

**SPONSORS:** Senate Committee on Ways & Means (originally sponsored by Senators Haugen, Barr, Snyder, Oke, Winsley, Roach and Erwin)

**SENATE COMMITTEE ON WAYS & MEANS**

**HOUSE COMMITTEE ON REVENUE**

**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 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 the same assessment year or in successive assessment years is presumed to be part of a pattern of use.

**VOTES ON FINAL PASSAGE:**

Senate	41	4
House	96	0

**EFFECTIVE:** July 25, 1993