

# SENATE BILL REPORT

## HB 2309

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As of February 20, 1998

**Title:** An act relating to notification of denial of property tax exemption.

**Brief Description:** Revising notification of denial of property tax exemption.

**Sponsors:** Representatives Thompson and Dunshee; by request of Department of Revenue.

**Brief History:**

**Committee Activity:** Ways & Means: 2/19/98.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Terry Wilson (786-7433)

**Background:** All property in this state is subject to property tax each year based on the property's value unless a specific exemption is provided by law. Many property tax exemptions exist for nonprofit organizations.

All foreign national governments, cemeteries, nongovernmental nonprofit corporations, organizations, and associations, and soil and water conservation districts are required to file an exemption application with the Department of Revenue by March 31 each year. The fee for the initial application is \$35 and the fee for the annual renewal declaration is \$8.75.

The Department of Revenue is required to review each exemption application by August 1. The department must inform applicants by certified mail of the reasons their exemption was denied. Certified mail provides a mailing receipt. A record of delivery is kept at the recipient's post office. The cost is an additional \$1.35.

**Summary of Bill:** Property tax exemption denial notices may be sent by regular mail rather than certified mail.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect on January 1, 1999.

**Testimony For:** Certified mail only shows that the letter was delivered. This bill eliminates inefficiency.

**Testimony Against:** None.

**Testified:** Representative Thompson, prime sponsor (pro).