

SENATE BILL REPORT

SB 5229

As Passed Senate, March 6, 1997

Title: An act relating to the property taxation of assembly halls or meeting places.

Brief Description: Extending permitted uses of assembly halls and meeting places to maintain property tax exemptions.

Sponsors: Senators Prince, Loveland, Morton, Oke, Stevens, Fraser, Swecker, Rasmussen, Hochstatter, Johnson, Bauer, Horn, Snyder, Winsley, Roach, McDonald and Haugen.

Brief History:

Committee Activity: Ways & Means: 1/29/97, 2/11/97 [DP].
Passed Senate, 3/6/97, 48-0.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators West, Chair; Deccio, Vice Chair; Strannigan, Vice Chair; Bauer, Brown, Fraser, Hochstatter, Kohl, Long, Loveland, Roach, Rossi, Schow, Sheldon, Snyder, Spanel, Swecker, Thibaudeau, Winsley and Zarelli.

Staff: Terry Wilson (786-7433)

Background: Nonprofit public assembly halls or meeting places 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.

The property cannot be used for pecuniary gain or to promote business activities except:

1. For fund-raising activities of a nonprofit organization.
2. The use for pecuniary gain for periods of not more than three days in a year.
3. 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.

Summary of Bill: The property tax exemption for nonprofit public assembly halls and meeting places is not lost by the use for pecuniary gain or to promote business activities for periods of not more than seven days in a year.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Granges and community buildings are the only places suitable for public uses. Most granges are small and take in only enough money to cover costs. This solves problems of small counties. It saves the rural lifestyle.

Testimony Against: None.

Testified: PRO: Senator Prince, prime sponsor; Terry Hunt, WA State Grange.

House Amendment(s): Nonprofit assembly halls and meeting places can also be used for dance, art, and music lessons in counties with populations under 10,000.