

SENATE BILL REPORT

SB 6311

As Passed Senate, February 17, 1998

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

Brief Description: Exempting assembly halls or meeting places used for the promotion of specific educational purposes from property taxation.

Sponsors: Senators Snyder, Prince, Rasmussen and Goings.

Brief History:

Committee Activity: Ways & Means: 2/10/98 [DP].
Passed Senate, 2/17/98, 47-0.

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, McDonald, Rossi, B. Sheldon, Snyder, Spanel, Swecker, Thibaudeau and Winsley.

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 seven 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: Nonprofit public assembly halls and meeting places may be used for dance lessons, art classes, or music lessons in a county with a population of less than 10,000 without losing the property tax exemption.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: These nonprofits are open to the public and are staffed by volunteers. The cost is very little to government. The smaller counties do not have the facilities for these activities.

Testimony Against: None.

Testified: PRO: Ted Dahl, Norman Hall Association.