

SENATE BILL REPORT

SB 6731

As Reported By Senate Committee On:
Ways & Means, February 9, 1998

Title: An act relating to airport property in this state belonging to municipal corporations in adjoining states.

Brief Description: Removing a property tax exemption for airport property belonging to out-of-state municipal corporations.

Sponsors: Senator Newhouse.

Brief History:

Committee Activity: Ways & Means: 2/6/98, 2/9/98 [DPS].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6731 be substituted therefor, and the substitute bill do pass.

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

Staff: Terry Wilson (786-7433)

Background: All property in this state is subject to the property tax each year based on the property's value unless a specific exemption is provided by law. The only class of property which is exempt by the state Constitution is that owned by the United States, the state, its counties, school districts, and other municipal corporations, but the state Constitution allows the Legislature to exempt other property from taxation.

Real and personal property belonging to municipal corporations in adjoining states which is used primarily for airport purposes is exempt from property tax.

Summary of Substitute Bill: The property tax exemption for real and personal property belonging to municipal corporations in adjoining states which is used primarily for airport purposes is limited to airports of 500 acres or less.

Substitute Bill Compared to Original Bill: The original bill was not considered.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: Ownership of the Dalles Airport has been a long-term aggravation for the area and caused many problems. Tax exempt status prevents the area from moving forward. Economic development is going on across the river on the Oregon side. Klickitat County should also benefit. The Gorge Act has prevented development in the area. There is virtually no property that can be developed. This is a first step in helping the area get jurisdictional control.

Testimony Against: None.

Testified: PRO: Representative Jim Honeyford, 15th District; Lane Smith, Joan Frey, Klickitat County.