

# FINAL BILL REPORT

## SSB 5746

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C 132 L 99

Synopsis as Enacted

**Brief Description:** Modifying certain exemption language for new and rehabilitated multiple-unit dwellings in urban centers.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Wojahn and Rasmussen).

**Senate Committee on Ways & Means**

**House Committee on Finance**

**Background:** In cities with a population of at least 100,000, or the largest city or town in a county planning under the Growth Management Act if there are no cities of that size, the value of new housing construction, conversion, and rehabilitation improvements for multiple-unit housing in targeted urban areas is exempt from property taxation for ten years under certain conditions.

The project must be in an urban area that is designated by the city as lacking sufficient desirable and convenient residential housing. At least 50 percent of the project space must be used for permanent housing.

Application must be made by April 1 prior to construction. Construction must be completed within three years of application. Upon completion of construction, a certificate of tax exemption is filed with the county assessor.

The tax exemption begins on January 1 of the year immediately following the calendar year after issuance of the certificate of tax exemption. In other words, the property is subject to tax in the year following issuance of the certificate of tax exemption and exempt from taxes payable in the year after that.

**Summary:** The exemption begins on January 1 of the year immediately following the year of issuance of the certificate of tax exemption. Application can be made at any time.

**Votes on Final Passage:**

Senate	44	0
House	92	0

**Effective:** July 25, 1999