
HOUSE BILL 1031

State of Washington 56th Legislature 1999 Regular Session

By Representatives Radcliff, Dunshee, Cooper and D. Schmidt

Read first time 01/11/1999. Referred to Committee on Finance.

1 AN ACT Relating to property tax exemptions for community radio
2 stations; reenacting and amending RCW 84.36.805 and 84.36.810; adding
3 a new section to chapter 84.36 RCW; and creating a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 84.36 RCW
6 to read as follows:

7 (1) All property owned and used by a community public radio station
8 is exempt from taxation.

9 (2) As used in this section "community public radio station" means
10 a nonprofit organization, other than a government entity or an
11 educational institution, that holds a noncommercial FM broadcast
12 license under 47 C.F.R. Sec. 73.503.

13 **Sec. 2.** RCW 84.36.805 and 1998 c 311 s 25, 1998 c 202 s 3, and
14 1998 c 184 s 2 are each reenacted and amended to read as follows:

15 In order to be exempt pursuant to RCW 84.36.030, 84.36.035,
16 84.36.037, 84.36.040, 84.36.041, 84.36.043, 84.36.045, 84.36.046,
17 84.36.047, 84.36.050, 84.36.060, section 1 of this act, 84.36.350,

1 84.36.480, 84.36.550, and 84.36.042, the nonprofit organizations,
2 associations or corporations shall satisfy the following conditions:

3 (1) The property is used exclusively for the actual operation of
4 the activity for which exemption is granted, unless otherwise provided,
5 and does not exceed an amount reasonably necessary for that purpose,
6 except:

7 (a) The loan or rental of the property does not subject the
8 property to tax if:

9 (i) The rents and donations received for the use of the portion of
10 the property are reasonable and do not exceed the maintenance and
11 operation expenses attributable to the portion of the property loaned
12 or rented; and

13 (ii) Except for the exemptions under RCW 84.36.030(4) and
14 84.36.037, the property would be exempt from tax if owned by the
15 organization to which it is loaned or rented;

16 (b) The use of the property for fund-raising activities does not
17 subject the property to tax if the fund-raising activities are
18 consistent with the purposes for which the exemption is granted;

19 (2) The property is irrevocably dedicated to the purpose for which
20 exemption has been granted, and on the liquidation, dissolution, or
21 abandonment by said organization, association, or corporation, said
22 property will not inure directly or indirectly to the benefit of any
23 shareholder or individual, except a nonprofit organization,
24 association, or corporation which too would be entitled to property tax
25 exemption. This property need not be irrevocably dedicated if it is
26 leased or rented to those qualified for exemption pursuant to RCW
27 84.36.035, 84.36.040, 84.36.041, 84.36.043, 84.36.045, 84.36.046, or
28 84.36.042 or those qualified for exemption as an association engaged in
29 the production or performance of musical, dance, artistic, dramatic, or
30 literary works pursuant to RCW 84.36.060, but only if under the terms
31 of the lease or rental agreement the nonprofit organization,
32 association, or corporation receives the benefit of the exemption;

33 (3) The facilities and services are available to all regardless of
34 race, color, national origin or ancestry;

35 (4) The organization, association, or corporation is duly licensed
36 or certified where such licensing or certification is required by law
37 or regulation;

1 (5) Property sold to organizations, associations, or corporations
2 with an option to be repurchased by the seller shall not qualify for
3 exempt status;

4 (6) The director of the department of revenue shall have access to
5 its books in order to determine whether such organization, association,
6 or corporation is exempt from taxes within the intent of RCW 84.36.030,
7 84.36.035, 84.36.037, 84.36.040, 84.36.041, 84.36.043, 84.36.045,
8 84.36.046, 84.36.047, 84.36.050, 84.36.060, section 1 of this act,
9 84.36.350, 84.36.480, and 84.36.042.

10 **Sec. 3.** RCW 84.36.810 and 1998 c 311 s 26 and 1998 c 202 s 4 are
11 each reenacted and amended to read as follows:

12 (1) Upon cessation of a use under which an exemption has been
13 granted pursuant to RCW 84.36.030, 84.36.037, 84.36.040, 84.36.041,
14 84.36.043, 84.36.046, 84.36.050, 84.36.060, 84.36.550, ((and))
15 84.36.042, and section 1 of this act, the county treasurer shall
16 collect all taxes which would have been paid had the property not been
17 exempt during the three years preceding, or the life of such exemption,
18 if such be less, together with the interest at the same rate and
19 computed in the same way as that upon delinquent property taxes. Where
20 the property has been granted an exemption for more than ten years,
21 taxes and interest shall not be assessed under this section.

22 (2) Subsection (1) of this section applies only when ownership of
23 the property is transferred or when fifty-one percent or more of the
24 area of the property has lost its exempt status. The additional tax
25 under subsection (1) of this section shall not be imposed if the
26 cessation of use resulted solely from:

27 (a) Transfer to a nonprofit organization, association, or
28 corporation for a use which also qualifies and is granted exemption
29 under the provisions of chapter 84.36 RCW;

30 (b) A taking through the exercise of the power of eminent domain,
31 or sale or transfer to an entity having the power of eminent domain in
32 anticipation of the exercise of such power;

33 (c) Official action by an agency of the state of Washington or by
34 the county or city within which the property is located which disallows
35 the present use of such property;

36 (d) A natural disaster such as a flood, windstorm, earthquake, or
37 other such calamity rather than by virtue of the act of the

1 organization, association, or corporation changing the use of such
2 property;

3 (e) Relocation of the activity and use of another location or site
4 except for undeveloped properties of camp facilities exempted under RCW
5 84.36.030;

6 (f) Cancellation of a lease on property that had been exempt under
7 RCW 84.36.040, 84.36.041, 84.36.043, 84.36.046, 84.36.060, or
8 84.36.042;

9 (g) A change in the exempt portion of a home for the aging under
10 RCW 84.36.041(3), as long as some portion of the home remains exempt((

11 ~~(h) The conversion of a full exemption of a home for the aging to
12 a partial exemption or taxable status or the conversion of a partial
13 exemption to taxable status under RCW 84.36.041(8))~~)).

14 NEW SECTION. **Sec. 4.** Section 1 of this act is effective for taxes
15 levied for collection in 2000 and thereafter.

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