
HOUSE BILL 1146

State of Washington

56th Legislature

1999 Regular Session

By Representatives DeBolt, Alexander, Romero, Lovick, McDonald, Crouse, Bush, Ogden, Mielke, K. Schmidt, Delvin, Pennington, Haigh, Hankins, Ericksen, Radcliff, G. Chandler, Wood, Fortunato, Carlson, Sump, Barlean, Dunn, Mulliken, Koster and D. Schmidt

Read first time 01/15/1999. Referred to Committee on Finance.

1 AN ACT Relating to property tax definitions for property tax
2 exemptions and deferrals; and amending RCW 84.36.383 and 84.38.020.

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

4 **Sec. 1.** RCW 84.36.383 and 1995 1st sp.s. c 8 s 2 are each amended
5 to read as follows:

6 As used in RCW 84.36.381 through 84.36.389, except where the
7 context clearly indicates a different meaning:

8 (1) The term "residence" shall mean a single family dwelling unit
9 whether such unit be separate or part of a multiunit dwelling,
10 including the land on which such dwelling stands not to exceed one
11 acre, except that a residence includes any additional property up to a
12 total of five acres that comprises the residential parcel if this
13 larger parcel size is required under land use regulations. The term
14 shall also include a share ownership in a cooperative housing
15 association, corporation, or partnership if the person claiming
16 exemption can establish that his or her share represents the specific
17 unit or portion of such structure in which he or she resides. The term
18 shall also include a single family dwelling situated upon lands the fee
19 of which is vested in the United States or any instrumentality thereof

1 including an Indian tribe or in the state of Washington, and
2 notwithstanding the provisions of RCW 84.04.080 and 84.04.090, such a
3 residence shall be deemed real property.

4 (2) The term "real property" shall also include a mobile home which
5 has substantially lost its identity as a mobile unit by virtue of its
6 being fixed in location upon land owned or leased by the owner of the
7 mobile home and placed on a foundation (posts or blocks) with fixed
8 pipe, connections with sewer, water, or other utilities: PROVIDED,
9 That a mobile home located on land leased by the owner of the mobile
10 home shall be subject, for tax billing, payment, and collection
11 purposes, only to the personal property provisions of chapter 84.56 RCW
12 and RCW 84.60.040.

13 (3) "Department" shall mean the state department of revenue.

14 (4) "Combined disposable income" means the disposable income of the
15 person claiming the exemption, plus the disposable income of his or her
16 spouse, and the disposable income of each cotenant occupying the
17 residence for the assessment year, less amounts paid by the person
18 claiming the exemption or his or her spouse during the assessment year
19 for:

20 (a) Drugs supplied by prescription of a medical practitioner
21 authorized by the laws of this state or another jurisdiction to issue
22 prescriptions; ~~((and))~~

23 (b) The treatment or care of either person received in the home or
24 in a nursing home; and

25 (c) Health care insurance of either person, including any deduction
26 for medicare under Title XVIII of the social security act.

27 (5) "Disposable income" means adjusted gross income as defined in
28 the federal internal revenue code, as amended prior to January 1, 1989,
29 or such subsequent date as the director may provide by rule consistent
30 with the purpose of this section, plus all of the following items to
31 the extent they are not included in or have been deducted from adjusted
32 gross income:

33 (a) Capital gains, other than ~~((nonrecognized gain on the sale of~~
34 ~~a principal residence under section 1034 of the federal internal~~
35 ~~revenue code, or))~~ gain excluded from income under section 121 of the
36 federal internal revenue code to the extent it is reinvested in a new
37 principal residence;

38 (b) Amounts deducted for loss;

39 (c) Amounts deducted for depreciation;

- 1 (d) Pension and annuity receipts;
- 2 (e) Military pay and benefits other than attendant-care and
3 medical-aid payments;
- 4 (f) Veterans benefits other than attendant-care and medical-aid
5 payments and benefits for disabilities related to the performance of
6 military duties;
- 7 (g) Federal social security act and railroad retirement benefits;
- 8 (h) Dividend receipts; and
- 9 (i) Interest received on state and municipal bonds.
- 10 (6) "Cotenant" means a person who resides with the person claiming
11 the exemption and who has an ownership interest in the residence.

12 **Sec. 2.** RCW 84.38.020 and 1997 c 93 s 1 are each amended to read
13 as follows:

14 Unless a different meaning is plainly required by the context, the
15 following words and phrases as hereinafter used in this chapter shall
16 have the following meanings:

17 (1) "Claimant" means a person who either elects or is required
18 under RCW 84.64.050 to defer payment of the special assessments and/or
19 real property taxes accrued on the claimant's residence by filing a
20 declaration to defer as provided by this chapter.

21 When two or more individuals of a household file or seek to file a
22 declaration to defer, they may determine between them as to who the
23 claimant shall be.

24 (2) "Department" means the state department of revenue.

25 (3) "Equity value" means the amount by which the fair market value
26 of a residence as determined from the records of the county assessor
27 exceeds the total amount of any liens or other obligations against the
28 property.

29 (4) "Local government" means any city, town, county, water-sewer
30 district, public utility district, port district, irrigation district,
31 flood control district, or any other municipal corporation, quasi-
32 municipal corporation, or other political subdivision authorized to
33 levy special assessments.

34 (5) "Real property taxes" means ad valorem property taxes levied on
35 a residence in this state in the preceding calendar year.

36 (6) "Residence" has the meaning given in RCW 84.36.383(~~(, except~~
37 ~~that a residence includes any additional property up to a total of five~~

1 ~~acres that comprises the residential parcel if this larger parcel size~~
2 ~~is required under land use regulations)).~~

3 (7) "Special assessment" means the charge or obligation imposed by
4 a local government upon property specially benefited.

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