

2 **HB 1092** - H AMD 0084 ADOPTED 3/14/01

3 By Representatives Lambert and Ruderman

4

5 Strike everything after the enacting clause and insert the
6 following:

7 "Sec. 1. RCW 84.36.020 and 1994 c 124 s 16 are each amended to
8 read as follows:

9 The following real and personal property shall be exempt from
10 taxation:

11 All lands, buildings, and personal property required for necessary
12 administration and maintenance, used, or to the extent used,
13 exclusively for public burying grounds or cemeteries without
14 discrimination as to race, color, national origin or ancestry;

15 All churches, cathedrals, synagogues, temples, mosques, and other
16 places of assembly for religious exercise purposes, personal property,
17 and the ground, not exceeding ((five)) twenty acres in area, upon which
18 a church ((of any nonprofit recognized religious denomination)),
19 cathedral, synagogue, temple, mosque, or other place of assembly for
20 religious exercise purposes is or shall be built, together with a
21 parsonage, or other clergy residence, convent, or other religious
22 community residence, and buildings and improvements required for the
23 maintenance and safeguarding of such property. The area exempted shall
24 in any case include all ground covered by the church, cathedrals,
25 synagogues, temples, mosques, and other place of assembly for religious
26 exercise purposes, parsonage, or other clergy residence, convent, or
27 other religious community residence, and buildings and improvements
28 required for the maintenance and safeguarding of such property and the
29 structures and ground necessary for street access, parking, light, and
30 ventilation, but the area of unoccupied ground exempted in such cases,
31 in connection with the church, cathedral, synagogue, temple, mosque, or
32 other place of assembly for religious exercise purposes, parsonage, or
33 other clergy residence, convent, or other religious community
34 residence, and buildings and improvements required for the maintenance
35 and safeguarding of such property, shall not exceed the equivalent of
36 one ((hundred twenty by one hundred twenty feet)) and one-third acres

1 except where additional unoccupied land may be required to conform with
2 state or local codes, zoning, or licensing requirements. The
3 parsonage, or other clergy residence, and convent, or other religious
4 community residence, need not be on land contiguous to the church
5 ((property)), cathedral, synagogue, temple, mosque, or other place of
6 assembly for religious exercise purposes. To be exempt the property
7 must be wholly used for ((ehureh)) religious exercise purposes:
8 PROVIDED, That the loan or rental of property otherwise exempt under
9 this paragraph to a nonprofit organization, association, or
10 corporation, or school for use for an eleemosynary activity shall not
11 nullify the exemption provided in this paragraph if the rental income,
12 if any, is reasonable and is devoted solely to the operation and
13 maintenance of the property.

14 **Sec. 2.** RCW 84.36.030 and 1993 c 327 s 2 are each amended to read
15 as follows:

16 The following real and personal property shall be exempt from
17 taxation:

18 (1) Property owned by nonprofit organizations or associations,
19 organized and conducted for nonsectarian purposes, which shall be used
20 for character-building, benevolent, protective or rehabilitative social
21 services directed at persons of all ages. The sale of donated
22 merchandise shall not be considered a commercial use of the property
23 under this section if the proceeds are devoted to the furtherance of
24 the purposes of the selling organization or association as specified in
25 this paragraph.

26 (2) Property owned by any nonprofit ((ehureh)) religious
27 organization, denomination, or group of ((ehurehes)) religious
28 organizations, or ((an)) any organization or association, the
29 membership of which is comprised solely of ((ehurehes)) nonprofit
30 religious organizations or their qualified representatives, which is
31 utilized as a camp facility if used for organized and supervised
32 recreational activities and ((ehureh)) religious exercise purposes as
33 related to such camp facilities. The exemption provided by this
34 paragraph shall apply to a maximum of ((two)) four hundred acres of any
35 such camp as selected by the ((ehureh)) religious organization,
36 including buildings and other improvements thereon.

37 (3) Property, including buildings and improvements required for the
38 maintenance and safeguarding of such property, owned by nonprofit

1 organizations or associations engaged in character building of boys and
2 girls under eighteen years of age, and used for such purposes and uses,
3 provided such purposes and uses are for the general public good:
4 PROVIDED, That if existing charters provide that organizations or
5 associations, which would otherwise qualify under the provisions of
6 this paragraph, serve boys and girls up to the age of twenty-one years,
7 then such organizations or associations shall be deemed qualified
8 pursuant to this section.

9 (4) Property owned by all organizations and societies of veterans
10 of any war of the United States, recognized as such by the department
11 of defense, which shall have national charters, and which shall have
12 for their general purposes and objects the preservation of the memories
13 and associations incident to their war service and the consecration of
14 the efforts of their members to mutual helpfulness and to patriotic and
15 community service to state and nation. To be exempt such property must
16 be used in such manner as may be reasonably necessary to carry out the
17 purposes and objects of such societies.

18 The use of the property for pecuniary gain or to promote business
19 activities, except as provided in this subsection (4), nullifies the
20 exemption otherwise available for the property for the assessment year.
21 The exemption is not nullified by:

22 (a) The collection of rent or donations if the amount is reasonable
23 and does not exceed maintenance and operation expenses.

24 (b) Fund-raising activities conducted by a nonprofit organization.

25 (c) The use of the property for pecuniary gain for periods of not
26 more than three days in a year.

27 (d) An inadvertent use of the property in a manner inconsistent
28 with the purpose for which exemption is granted, if the inadvertent use
29 is not part of a pattern of use. A pattern of use is presumed when an
30 inadvertent use is repeated in the same assessment year or in two or
31 more successive assessment years.

32 (5) Property owned by all corporations, incorporated under any act
33 of congress, whose principal purposes are to furnish volunteer aid to
34 members of the armed forces of the United States and also to carry on
35 a system of national and international relief and to apply the same in
36 mitigating the sufferings caused by pestilence, famine, fire, floods,
37 and other national calamities and to devise and carry on measures for
38 preventing the same.

1 (6) Property owned by nonprofit organizations exempt from federal
2 income tax under section 501(c)(3) of the internal revenue code of
3 1954, as amended, that are guarantee agencies under the federal
4 guaranteed student loan program or that issue debt to provide or
5 acquire student loans.

6 (7) To be exempt under this section, the property must be used
7 exclusively for the purposes for which exemption is granted, except as
8 provided in RCW 84.36.805.

9 **Sec. 3.** RCW 84.36.800 and 1998 c 311 s 24 are each amended to read
10 as follows:

11 As used in this chapter:

12 (1) "~~((Church))~~ Religious exercise purposes" means the use of real
13 and personal property owned by a nonprofit religious organization for
14 religious worship or related administrative, educational, eleemosynary,
15 and social activities. This definition is to be broadly construed;

16 (2) "Convent or other religious community residence" means a house
17 or set of buildings occupied by a community of clergy or nuns devoted
18 to religious life under a superior;

19 (3) "Hospital" means any portion of a hospital building, or other
20 buildings in connection therewith, used as a residence for persons
21 engaged or employed in the operation of a hospital, or operated as a
22 portion of the hospital unit;

23 (4) "Nonprofit" means an organization, association or corporation
24 no part of the income of which is paid directly or indirectly to its
25 members, stockholders, officers, directors or trustees except in the
26 form of services rendered by the organization, association, or
27 corporation in accordance with its purposes and bylaws and the salary
28 or compensation paid to officers of such organization, association or
29 corporation is for actual services rendered and compares to the salary
30 or compensation of like positions within the public services of the
31 state;

32 (5) "Parsonage or other clergy residence" means a residence
33 occupied by a member of the clergy who has been designated for a
34 particular congregation and who holds regular services ~~((therefor))~~;

35 (6) "Place of assembly for religious exercise purposes" means real
36 and personal property owned by a nonprofit religious organization and
37 used for religious exercise purposes.

1 NEW SECTION. **Sec. 4.** This act applies to taxes levied for
2 collection in 2002 and thereafter."

3 Correct the title.

EFFECT: Clarifies that the term "church" includes cathedrals,
synagogues, temples, mosques, and other places of assembly for
religious exercise purposes, and that the term "parsonage" includes
other clergy residences and convent includes other religious community
residences.

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