
SENATE BILL 5210

State of Washington

57th Legislature

2001 Regular Session

By Senator T. Sheldon

Read first time 01/16/2001. Referred to Committee on Ways & Means.

1 AN ACT Relating to ad valorem taxation of certain property that
2 would otherwise be subject to leasehold excise tax; amending RCW
3 84.36.451; adding a new section to chapter 82.29A RCW; adding a new
4 section to chapter 84.40 RCW; adding a new section to chapter 84.55
5 RCW; creating a new section; and providing an effective date.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.29A RCW
8 to read as follows:

9 All leasehold interests consisting of three thousand or more
10 residential and recreational lots that are or may be subleased for
11 residential and recreational purposes are exempt from tax under this
12 chapter.

13 **Sec. 2.** RCW 84.36.451 and 1979 ex.s. c 196 s 10 are each amended
14 to read as follows:

15 (1) The following property shall be exempt from taxation: Any and
16 all rights to occupy or use any real or personal property owned in fee
17 or held in trust by:

1 (~~(1)~~) (a) The United States, the state of Washington, or any
2 political subdivision or municipal corporation of the state of
3 Washington; or

4 (~~(2)~~) (b) A public corporation, commission, or authority created
5 under RCW 35.21.730 or 35.21.660 if the property is listed on or is
6 within a district listed on any federal or state register of historical
7 sites; and

8 (~~(3)~~) (c) Including any leasehold interest arising from the
9 property identified in (a) and (b) of this subsection(~~(s (1) and (2) of~~
10 ~~this section)~~) as defined in RCW 82.29A.020(~~(: PROVIDED, That)~~).

11 (2) The exemption under this section shall not apply to:

12 (a) Any (~~such~~) leasehold interests which are a part of operating
13 properties of public utilities subject to assessment under chapter
14 84.12 RCW (~~nor~~); or

15 (b) Any leasehold interest consisting of three thousand or more
16 residential and recreational lots that are or may be subleased for
17 residential and recreational purposes.

18 (3) The exemption under this section shall not be construed to
19 modify the provisions of RCW 84.40.230.

20 NEW SECTION. Sec. 3. A new section is added to chapter 84.40 RCW
21 to read as follows:

22 A leasehold interest consisting of three thousand or more
23 residential and recreational lots that are or may be subleased for
24 residential and recreational purposes, together with any improvements
25 thereon, shall be assessed and taxed in the same manner as privately
26 owned real property. The sublessee of each lot, or the lessee if not
27 subleased, is liable for the property tax on the lot and improvements
28 thereon. If property tax for a lot or improvements thereon remains
29 unpaid for more than three years from the date of delinquency,
30 including any property taxes that are delinquent as of the effective
31 date of this section, the county treasurer may proceed to collect the
32 tax in the same manner as for other property, except that the lessor's
33 interest in the property shall not be extinguished as a result of any
34 action for the collection of tax. Collection of property taxes
35 assessed on any such lot shall be enforceable by foreclosure
36 proceedings against any improvement located on such lot, in accordance
37 with real property foreclosure proceedings authorized in chapter 84.64
38 RCW. Collection of property taxes assessed against any mobile home

1 located on any such lot shall proceed in the same manner as with mobile
2 homes located on private property.

3 NEW SECTION. **Sec. 4.** A new section is added to chapter 84.55 RCW
4 to read as follows:

5 For taxes levied for collection in 2002, the limitation set forth
6 in RCW 84.55.010 for a taxing district shall be increased by an amount
7 equal to the aggregate assessed valuation of leasehold interests
8 subject to tax by the district under section 3 of this act, multiplied
9 by the regular property tax levy rate of that district for the
10 preceding year.

11 NEW SECTION. **Sec. 5.** Sections 2 and 3 of this act apply to taxes
12 levied for collection in 2002 and thereafter.

13 NEW SECTION. **Sec. 6.** Section 1 of this act takes effect January
14 1, 2002.

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