

# FINAL BILL REPORT

## SHB 1322

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Synopsis as Enacted

**Brief Description:** Exempting from taxation certain property belonging to any federally recognized Indian tribe located in the state.

**Sponsors:** By House Committee on Finance (originally sponsored by Representatives G. Simpson, Cairnes, McCoy and Roach).

### House Committee on Finance

#### Background:

All real and personal property in this state is subject to property tax each year based on its value, unless a specific exemption is provided by law. Property owned by the United States, the State of Washington, counties, cities, and other local governments is exempted from property tax by the State Constitution. The Legislature may exempt other property by statute and has enacted a number of exemptions for property owned by various nonprofit organizations.

The question of whether property owned by an Indian tribe is exempt from tax can be a complicated legal matter. Often, tribal property is held in trust for the tribe by the United States and is therefore exempt from tax. Other property owned by a tribe might not qualify as trust land and might not be exempt.

#### Summary:

Property owned by a federally recognized Indian tribe, and used for essential government services, is exempt from property tax.

#### Votes on Final Passage:

House	67	28
Senate	40	8

**Effective:** June 10, 2004