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**SUBSTITUTE SENATE BILL 6197**

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**State of Washington**

**58th Legislature**

**2004 Regular Session**

**By** Senate Committee on Land Use & Planning (originally sponsored by Senators Benton, Roach and Mulliken)

READ FIRST TIME 01/30/04.

1       AN ACT Relating to restoring the American dream by providing a tax  
2 exemption for property that has declined in value due to shoreline or  
3 growth management regulation; adding a new section to chapter 84.36  
4 RCW; and creating a new section.

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

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

8       (1) Eligible regulated real property is exempt from taxation from  
9 the state tax levy. Eligible regulated real property means real  
10 property for which the land value has been reduced by ten percent or  
11 more after November 20, 2002, as a result of regulation under a  
12 shoreline master program adopted under chapter 90.58 RCW or under an  
13 amendment to or new comprehensive plan or development regulations  
14 adopted under chapter 36.70A RCW. The exemption continues until the  
15 cumulative tax savings due to the exemption equals or exceeds the  
16 reduction in value.

17       (2) A claim for exemption shall be made and filed on or before  
18 March 31st with the county assessor. The claim for exemption must be  
19 filed within two years of the adoption of the regulation. To establish

1 the value reduction, the property owner may petition the county  
2 assessor under RCW 84.40.039. The value reduction shall be determined  
3 with reference to the value on January 1st of the year in which the  
4 regulation under subsection (1) of this section is adopted.

5 (3) When a value reduction is established by the assessor, the  
6 owner may petition the county board of equalization for a change in the  
7 value reduction within thirty days of being notified of the assessor's  
8 valuation.

9 (4) The assessor shall either approve or deny the exemption and  
10 notify the property owner in writing by August 1st. The property owner  
11 may appeal the assessor's determination under the provisions of RCW  
12 84.48.010.

13 (5) The levy for the state in any year shall be reduced as  
14 necessary to prevent exemptions under this section from resulting in a  
15 higher tax rate than would have occurred in the absence of the  
16 exemptions under this section.

17 NEW SECTION. **Sec. 2.** This act applies to taxes levied for  
18 collection in 2005 and thereafter.

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