

# SENATE BILL REPORT

## SB 5753

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As of February 17, 2015

**Title:** An act relating to a county property tax exemption for energy efficient construction.

**Brief Description:** Creating a county property tax exemption for energy efficient construction.

**Sponsors:** Senators Liias, Roach, Hobbs and Benton.

**Brief History:**

**Committee Activity:** Government Operations & Security: 2/17/15.

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### SENATE COMMITTEE ON GOVERNMENT OPERATIONS & SECURITY

**Staff:** Curt Gavigan (786-7437)

**Background:** All real and personal property in Washington is subject each year to the state's property tax based on its value, unless a specific exemption is provided by law. A county may impose a regular levy of \$1.80 per \$1,000 of assessed value. A city may impose a regular levy of \$3.375 per \$1,000 of assessed value.

Current examples of property tax exemptions include a three-year exemption for the value of physical improvement to a single-family home; and an exemption of varying years for the value of construction or rehabilitation of multi-unit residential housing projects in urban centers.

**Summary of Bill:** A county may authorize an exemption from the county property tax levy for certain single-family or multi-family construction or improvement projects that result in third party, green building certification.

Counties that provide the exemption must set the following:

- the third-party certification requirements;
- the duration of the exemption, with a maximum of seven assessment years;
- the value of the exemption, with a maximum of 100 percent of the assessed value of the construction or improvements that is greater than the original assessed value; and
- the requirements of eligibility.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

A city in a county that adopts the exemption may also provide an exemption from the city property tax levy. However, the city must use the use the same requirements for the exemption as the county.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.