
HOUSE BILL 2193

State of Washington 64th Legislature 2015 Regular Session

By Representatives Robinson, Sells, Kagi, and Santos

Read first time 03/17/15. Referred to Committee on Finance.

1 AN ACT Relating to modifying the property tax exemption for
2 property used to provide housing for eligible persons with
3 developmental disabilities; amending RCW 84.36.042; and creating a
4 new section.

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

6 **Sec. 1.** RCW 84.36.042 and 1998 c 202 s 1 are each amended to
7 read as follows:

8 (1) All real and personal property owned or leased by a nonprofit
9 organization, corporation, or association to provide housing for
10 eligible persons with developmental disabilities is exempt from
11 property taxation.

12 (a) To qualify for this exemption, the nonprofit organization,
13 corporation, or association must be qualified for exemption under
14 section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C.
15 Sec. 501(c)(3)). It must also have been organized for charitable
16 purposes to create and preserve long-term affordable housing for low-
17 income (~~developmentally disabled persons~~) individuals with
18 developmental disabilities.

19 (b) The housing must be (i) occupied by eligible persons who have
20 a low income, or (ii) an adult family home, as defined in RCW
21 70.128.010, that is occupied by eligible persons with developmental

1 disabilities, if at least seventy-five percent of the eligible
2 persons have a low income.

3 (2) (~~As used in this section:~~) The definitions in this
4 subsection apply throughout this section unless the context clearly
5 requires otherwise.

6 (a) "Developmental disability" means the same as defined in RCW
7 71A.10.020;

8 (b) "Eligible person" means the same as defined in RCW
9 71A.10.020; and

10 (c) "Low income" means the adjusted gross income of the resident
11 is at eighty percent or less of the median income adjusted for family
12 size, as most recently determined by the federal department of
13 housing and urban development for the county in which the housing is
14 located and in effect as of January 1st of the assessment year for
15 which the exemption is sought. "Adjusted gross income" is as defined
16 in the federal internal revenue code of 1986, as it exists on June
17 11, 1998, or such subsequent date as the director may provide by rule
18 consistent with the purpose of this section.

19 (3) To be exempt under this section, the property must be used
20 exclusively for the purposes for which the exemption is granted,
21 except as provided in RCW 84.36.805.

22 (4) If the real or personal property for which exemption is
23 sought is leased, the benefit of the exemption must inure to the
24 nonprofit organization, corporation, or association leasing the
25 property to provide the housing for (~~developmentally disabled~~
26 ~~persons~~) individuals with developmental disabilities.

27 NEW SECTION. Sec. 2. This act applies to taxes levied for
28 collection in 2016 and thereafter.

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