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HOUSE BILL 2594

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State of Washington                      64th Legislature                      2016 Regular Session

By Representatives MacEwen and Muri

Read first time 01/15/16. Referred to Committee on Finance.

1            AN ACT Relating to simplifying the taxation of amenities owned by  
2 homeowners' associations; adding a new section to chapter 82.08 RCW;  
3 adding a new section to chapter 82.12 RCW; and creating new sections.

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

5            NEW SECTION.    **Sec. 1.**    (1) This section is the tax preference  
6 performance statement for the tax preference contained in sections 2  
7 and 3 of this act. It is not intended to create a private right of  
8 action by any party or be used to determine eligibility for  
9 preferential tax treatment.

10           (2) The legislature categorizes the tax preference created in  
11 this act as one intended to reduce structural inefficiencies in the  
12 tax structure as indicated in RCW 82.32.808(2)(d).

13           (3) It is the legislature's specific public policy objective to  
14 provide permanent tax relief that corrects the structural  
15 inefficiencies regarding the taxation of homeowners' association  
16 members for the use of amenities which their association owns.

17           NEW SECTION.    **Sec. 2.**    A new section is added to chapter 82.08  
18 RCW to read as follows:

19           (1) The tax levied by RCW 82.08.020 does not apply to any portion  
20 of the charges paid by a member of a homeowners' association for

1 access or admission to any amenity, common area, facility, or other  
2 entity operated by the association.

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

5 (a) "Homeowners' association" or "association" has the same  
6 meaning as provided in RCW 64.38.010.

7 (b) "Member" has the same meaning as provided in RCW 64.38.010.

8 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12  
9 RCW to read as follows:

10 (1) The provisions of this section do not apply with respect to  
11 the portion of the charges paid by a member of a homeowners'  
12 association for the use of any amenity, common area, facility, or  
13 other entity owned and operated by the homeowners' association.

14 (2) The definitions in section 2 of this act apply to this  
15 section.

16 NEW SECTION. **Sec. 4.** RCW 82.32.805 and 82.32.808 do not apply  
17 to this act.

18 NEW SECTION. **Sec. 5.** Sections 2 and 3 of this act apply to the  
19 portion of charges paid by members on or after July 1, 2016.

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