
SUBSTITUTE HOUSE BILL 1526

State of Washington

65th Legislature

2017 Regular Session

By House Finance (originally sponsored by Representatives Griffey, Kilduff, MacEwen, Muri, Dent, Hayes, Haler, Smith, and Pollet)

READ FIRST TIME 02/24/17.

1 AN ACT Relating to exempting multipurpose senior citizen centers
2 from property taxation; adding a new section to chapter 84.36 RCW;
3 and creating a new section.

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
7 chapter . . . , Laws of 2017 (section 2 of this act). This preference
8 statement is only intended to be used for subsequent evaluation of
9 the tax preference. It is not intended to create a private right of
10 action by any party or be used to determine eligibility for
11 preferential tax treatment.

12 (2) The legislature categorizes this tax preference as one
13 intended to provide tax relief as indicated in RCW 82.32.808(2)(e),
14 to provide tax relief to senior citizen centers that do not qualify
15 for a property tax exemption under current law.

16 (3) The joint legislative audit and review committee will review
17 the number of senior citizen centers that received the tax preference
18 provided in this act that would not have qualified for a property tax
19 exemption prior to the enactment of this preference. In order to
20 obtain the data necessary to perform the review, the joint
21 legislative audit and review committee may refer to data sources

1 including county assessor property records and property tax
2 information from the department of revenue.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 84.36
4 RCW to read as follows:

5 (1) One or more contiguous real property parcels and personal
6 property owned by a senior citizen organization are exempt from
7 taxation, if the property is used for the actual operation of a
8 multipurpose senior citizen center.

9 (2) The exemption in this section is not nullified by the use of
10 the exempt property as provided in this subsection.

11 (a) The exempt property may be loaned or rented, if the rent and
12 donations received for the use of the multipurpose senior citizen
13 center are reasonable and do not exceed the maintenance and operation
14 expenses attributable to the portion of the property loaned or
15 rented.

16 (b) The exempt property may be used for fund-raising events and
17 activities, including the operation of a farmers market or a thrift
18 store, with the purpose of providing financial support for the
19 multipurpose senior citizen center or providing services and
20 activities for senior citizens. If the exempt property is loaned or
21 rented to conduct a fund-raising event for other purposes:

22 (i) Such event or activities must be conducted by a nonprofit
23 organization eligible for exemption under this chapter; and

24 (ii) The requirements of (a) of this subsection (2) apply.

25 (c) An inadvertent use of the exempt property in a manner
26 inconsistent with the purposes of the exemption granted under this
27 section does not nullify the exemption, if the inadvertent use is not
28 part of a pattern of use. A pattern of use is presumed when an
29 inadvertent use is repeated in the same assessment year or in two or
30 more successive years.

31 (3) Multipurpose senior citizen centers must be available to all
32 regardless of race, color, religion, creed, gender, gender
33 expression, national origin, ancestry, the presence of any sensory,
34 mental, or physical disability, marital status, sexual orientation,
35 or honorably discharged veteran or military status.

36 (4) The use of the exempt property, other than as specifically
37 authorized by this section, nullifies the exemption from taxation
38 otherwise available for the property for the assessment year.

1 (5) This section is not subject to the provisions of RCW
2 84.36.805.

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

5 (a) "Farmers market" means a regular assembly of vendors at a
6 location for the main purpose of promoting the sale of agricultural
7 products grown, raised, or produced in this state directly to the
8 consumer.

9 (b) "Multipurpose senior citizen center" means a community
10 facility that provides for a broad spectrum of services to senior
11 citizens, whether provided directly by the nonprofit senior citizen
12 organization that owns the facility or by another person. Such
13 services may include the provision of health, social, nutritional,
14 educational services and the provision of facilities for recreational
15 activities for senior citizens.

16 (c) "Senior citizen" means a person age sixty or older.

17 (d) "Senior citizen organization" means a private organization
18 that:

19 (i) Has a mission, in whole or in part, to support senior
20 citizens;

21 (ii) Is exempt from federal income tax under section 501(c)(3) of
22 the internal revenue code; and

23 (iii) Operates a multipurpose senior citizen center.

24 (e) "Thrift store" means a retail establishment that:

25 (i) Is operated by a senior citizen organization;

26 (ii) Is located on the same parcel of real property as the senior
27 citizen organization's multipurpose senior citizen center, or on a
28 contiguous parcel of real property;

29 (iii) Sells goods, including but not limited to donated goods, as
30 part of the senior citizen organization's fund-raising efforts for
31 the operation of its multipurpose senior citizen center and the
32 provision of services and activities for senior citizens; and

33 (iv) If the establishment sells nondonated goods, its gross
34 annual sales of nondonated goods does not exceed ten percent of its
35 total combined gross annual sales of all goods.

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