
SENATE BILL 5416

State of Washington

65th Legislature

2017 Regular Session

By Senator Chase

Read first time 01/24/17. Referred to Committee on Ways & Means.

1 AN ACT Relating to repealing the tax exemption on intangible
2 property to provide funding for essential government services;
3 creating new sections; and repealing RCW 84.36.070.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that long-term
6 economic trends indicate that intangible property income is growing
7 while earned income is falling. The legislature, under previously
8 enacted law, allowed exemptions for intangible property from the
9 state levy. However, this exemption has led to a shift of the burden
10 of state taxes to owners of tangible property which is growing
11 heavier over time. Thus, in light of the long-term economic trend and
12 the current downturn in state revenues, the legislature concludes
13 that the tax exemption for intangible personal property is no longer
14 justified. At a time when virtually every area of the budget is being
15 reduced by substantial amounts, those that are receiving tax
16 exemptions, such as the owners of intangible property, must also bear
17 some of the burden to balance the budget.

18 NEW SECTION. **Sec. 2.** RCW 84.36.070 (Intangible personal
19 property—Appraisal) and 1997 c 181 s 1, 1974 ex.s. c 118 s 1, & 1961
20 c 15 s 84.36.070 are each repealed.

1 NEW SECTION. **Sec. 3.** This act applies to taxes levied for
2 collection in 2018 and thereafter.

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