Washington State
House of Representatives
Office of Program Research

BILL ANALYSIS

Finance Committee

SB 6212

Brief Description: Concerning the authority of counties, cities, and towns to exceed statutory property tax limitations for the purpose of financing affordable housing for very low-income households and low-income households.

Sponsors: Senators Das, Keiser, Lovelett, Zeiger, Dhingra, Saldaña, Nguyen, Kuderer, Warnick, Randall, Darneille, Van De Wege, Conway and Wilson, C.

Brief Summary of Bill

- Expands use of the affordable housing property tax levy to include affordable homeownership, owner-occupied home repair, and foreclosure prevention programs for low-income households with income at or below 80 percent of median income.

Hearing Date: 2/27/20

Staff: Nick Tucker (786-7383).

Background:

Property Tax.
All property is subject to a tax each year based on the highest and best use, unless a specific exemption is provided by law. The county assessor determines assessed value for each property and calculates property taxes. The property tax bill for an individual property is determined by multiplying the assessed value of the property by the tax rate for each taxing district in which the property is located. The aggregate of all regular tax levies upon real and personal property by the state and all taxing districts may not exceed 1 percent of the true and fair value of the property. In addition, the aggregate regular levies of junior taxing districts and senior taxing districts, other than the state, may not exceed $5.90 per $1,000 of assessed valuation.

Affordable House Property Tax Levy.
Counties and cities may impose an affordable housing property tax levy to finance affordable housing for very-low income households. The additional regular property tax levy is up to $0.50

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.

per $1,000 assessed valuation each year for up to ten consecutive years and must be approved by a majority of voters of the taxing district. Very-low income households are defined as 50 percent or less of the county's median income.

Summary of Bill:

Funds from the affordable housing property tax levy may be used for affordable homeownership, owner-occupied home repair, and foreclosure prevention programs for low-income households.

"Low-income household" is defined as a single person, family, or unrelated persons living together whose income is at or below 80 percent of the median income, with adjustments for household size, for the county where the taxing district is located.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect October 1, 2020.