
HOUSE BILL 2419

State of Washington

68th Legislature

2024 Regular Session

By Representatives Berg, Ramel, Shavers, and Pollet

Read first time 01/18/24. Referred to Committee on Finance.

1 AN ACT Relating to providing housing safety, security, and
2 protection by creating the homeowner relief property tax exemption;
3 amending RCW 84.48.010; adding new sections to chapter 84.36 RCW;
4 creating new sections; and providing a contingent effective date.

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

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that housing
7 security is important to all Washingtonians.

8 (2) The legislature further finds that homeownership is the main
9 mechanism for creating wealth for individuals and families and
10 passing it on generationally.

11 (3) The legislature further finds that historically disadvantaged
12 communities, middle class families, and seniors have disproportionate
13 tax responsibility due, in part, to property tax liability.

14 (4) The legislature further finds that our paramount duty to fund
15 common schools relies on tax revenue that is disproportionately
16 reliant on taxes paid by certain classes of homeowners, and that the
17 inequities in our tax code limits access and sustainability of
18 homeownership for these individuals, families, and communities, due,
19 in part, to this over reliance on property taxes pricing them out of
20 their homes.

1 (5) The legislature recognizes that historically disadvantaged
2 communities, working families, and seniors in Washington state are
3 subject to more displacement than other homeowners.

4 (6) The legislature further finds that many Washingtonians are
5 vulnerable to foreclosure by mortgage holders and other secured
6 creditors, despite the homestead exemption limited in bankruptcy
7 statute, RCW 6.13.030, which is a tool to protect heads of households
8 from having their homes confiscated and sold to satisfy debts from
9 unsecured creditors.

10 (7) Therefore, it is the intent of the legislature to prevent
11 more loss of real property and the displacement of historically
12 disadvantaged communities, working families, and seniors. By
13 exempting a portion of tax of one's principal place of residence, we
14 can lower the inequities of cost of homeownership and responsibility
15 of taxation, with the goal of making sure individuals can reside,
16 raise their families, age in place, and stay in their communities,
17 without fear of displacement due to crises or increase in land and
18 home value assessment. The legislature intends to create a means of
19 providing equity in the tax code and serves as a homeowner relief
20 tool for community land trusts, cooperative ownership, and homeowners
21 across Washington.

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

24 (1)(a) Subject to the conditions in this section, a portion of
25 the assessed value of a qualified residence is exempt from the state
26 levy but not from property taxes levied by any local taxing district.
27 Subject to the adjustments and limitations in this subsection (1),
28 and for taxes levied for collection in 2027 and thereafter, the
29 homeowner relief property tax exemption from the state levy is equal
30 to the greater of \$100,000 assessed valuation or 60 percent of the
31 county median residential assessed value for the most recent year the
32 department collected data by county.

33 (b)(i) The department shall annually publish the county median
34 residential assessed value rounded to the nearest \$1,000 by August
35 1st for the most recent year for which the department collected data
36 by county; and

37 (ii) The department shall adjust the percentage of county median
38 residential assessed value exempted under (a) of this subsection if

1 the state levy is expected to exceed the statutory maximum provided
2 in RCW 84.52.065 to prevent a loss in funding for that year.

3 (c) The amount of the homeowner relief property tax exemption for
4 a qualified residence may not result in a tax reduction that exceeds
5 the amount of state property taxes that would otherwise be levied on
6 that residence.

7 (2) The homeowner relief property tax exemption is in addition
8 to, and applied after, the exemption provided in RCW 84.36.379
9 through 84.36.389.

10 (3)(a) The homeowner relief property tax exemption must be
11 claimed by filing an application with the department by April 30th of
12 the calendar year prior to the first year for which the exemption
13 will be received.

14 (b) The department shall provide the means for claimants to claim
15 the homeowner relief property tax exemption for their qualified
16 residence online. The department must also make paper applications
17 available to claimants upon request. Each county assessor must also
18 make applications available at the assessor's office, on the
19 assessor's official website, and by mail or email upon request.

20 (c) The department shall determine whether claimants have applied
21 for an exemption for only a single qualified residence for the
22 applicable calendar year. As resources allow, the department must
23 notify claimants who appear to have applied for more than one
24 residence or when the department is unable to confirm that the
25 claimant applied for an exemption for only a single qualified
26 residence. Such notification may be provided electronically and
27 include a request for additional information needed to confirm that
28 the claimant has applied for only a single qualified residence.

29 (d) By August 1st each year, the department must provide each
30 county assessor a list of all claimants, parcels, and other
31 information necessary for the assessor to determine if a claimant
32 meets the eligibility requirements for the homeowner relief property
33 tax exemption. Such list must indicate the department's determination
34 whether the claimant has applied for a single qualified residence or
35 whether the department is unable to determine whether the claimant
36 has applied for a single qualified residence. County assessors have
37 the sole authority to approve or deny claims for the homeowner relief
38 property tax exemption.

39 (e) The claimant or the claimant's designated agent or legal
40 guardian must sign the application declaring that the property for

1 which the homeowner relief property tax exemption is sought is the
2 claimant's principal qualified residence within the meaning of
3 subsection (7) of this section.

4 (f) (i) A homeowner relief property tax exemption continues until
5 the property is sold, transferred, or the claimant no longer
6 qualifies due to change of use as a principal place of residence.

7 (ii) If a homeowner sells or otherwise transfers the property,
8 the new property owner must apply for the exemption, as required
9 under this section.

10 (4) If the claimant resides in a cooperative housing association,
11 corporation, or partnership, the application must also be signed by
12 the authorized agent of such cooperative. If the claimant holds a
13 life estate in the qualified residence for which the homeowner relief
14 property tax exemption is claimed and the claimant is not shown on
15 the tax rolls as the taxpayer for that qualified residence, the
16 remainderman or other person shown on the tax rolls as the taxpayer
17 must also sign the application.

18 (5) All signatures on an application must be made under penalty
19 of perjury as provided in RCW 9A.72.020.

20 (6) Notice of the homeowner relief property tax exemption and
21 where to obtain further information about the exemption must be
22 included on or with property tax statements and revaluation notices
23 for residential property. The department and each county assessor
24 must publicize the qualifications and manner of making claims for the
25 homeowner relief property tax exemption, including paid
26 advertisements or notices as deemed appropriate in the sole
27 discretion of the department and county assessors. The department and
28 county assessors must make the homeowner relief property tax
29 exemption information available in all languages required for voter
30 ballot outreach at the state level.

31 (7) The following conditions apply to the homeowner relief
32 property tax exemption:

33 (a) The residence must be occupied by the claimant as the
34 claimant's principal place of residence as of the date of the signed
35 application under subsection (3) of this section. A claimant who
36 sells, transfers, or is displaced from the claimant's qualified
37 residence may transfer the claimant's exemption status to a
38 replacement qualified residence, but no claimant may receive the
39 homeowner relief property tax exemption on more than one qualified
40 residence in any calendar year. However, the confinement of the

1 claimant to a hospital, nursing home, assisted living facility, or
2 adult family home will not disqualify the claim of exemption if:

3 (i) The qualified residence is temporarily unoccupied;

4 (ii) The qualified residence is occupied by either a spouse or
5 state registered domestic partner, a person financially dependent on
6 the claimant for support, or both; or

7 (iii) The qualified residence is rented for the purpose of paying
8 the claimant's costs of a nursing home, hospital, assisted living
9 facility, or adult family home.

10 (b) At the time of signing the application:

11 (i) (A) The claimant must have owned, in fee or by contract
12 purchase, or have held a life estate in, the residence for which the
13 homeowner relief property tax exemption is claimed; and

14 (B) The residence must have been located on a tax parcel with
15 fewer than five residences; or

16 (ii) If the claimant resides in a cooperative housing
17 association, corporation, or partnership, including a mobile home
18 park cooperative or manufactured housing cooperative, the claimant
19 must own a share in the cooperative representing the unit or dwelling
20 in which the claimant resides or the lot on which the claimant's
21 manufactured/mobile home or park model is situated.

22 (c) For purposes of this section, a qualified residence owned by
23 a marital community, state registered domestic partners, or cotenants
24 is deemed to be owned by each spouse, domestic partner, or cotenant,
25 and any lease for life or 99 years of a single-family dwelling unit
26 or the land upon which it stands is deemed a life estate in the
27 qualified residence.

28 (d) (i) The assessed value of a dwelling owned by a cooperative
29 housing association, corporation, or partnership must be reduced, for
30 purposes of state property taxes levied on the dwelling, by the
31 amount of the homeowner relief property tax exemption to which a
32 claimant residing in that dwelling is entitled. The cooperative must
33 pass the full amount of its property tax savings under this section
34 to its members in proportion to each member's homeowner relief
35 property tax exemption. The cooperative may meet its obligation under
36 this subsection (7) (d) (i) by reducing the amount owed by the members
37 to the cooperative or, if no amount be owed, by making payment to the
38 members.

39 (ii) A mobile home park cooperative or manufactured housing
40 cooperative is entitled to any unused portion of the homeowner relief

1 property tax exemption of its members. A mobile home park cooperative
2 or manufactured housing cooperative receiving the unused portion of
3 the homeowner relief property tax exemption of its members must pass
4 the full amount of its property tax savings to its members in
5 proportion to each member's unused homeowner relief property tax
6 exemption. The cooperative may meet its obligation under this
7 subsection (7)(d)(ii) by reducing the amount owed by the members to
8 the cooperative or, if no amount be owed, by making payment to the
9 members. For purposes of this subsection (7)(d)(ii), "unused portion
10 of the homeowner relief property tax exemption" means the amount by
11 which the exemption exceeds the assessed value of the manufactured/
12 mobile home or park model owned by a member of the mobile home park
13 cooperative or manufactured housing cooperative.

14 (e) A claimant granted a homeowner relief property tax exemption
15 must immediately inform the county assessor, on forms created or
16 approved by the department, of any change in status affecting the
17 claimant's entitlement to a homeowner relief property tax exemption.

18 (f)(i) Where a claimant has a life estate in the single-family
19 dwelling unit, the land upon which it sits, or both, which comprise
20 the claimant's qualified residence, and a remainderman or other
21 person would have otherwise paid the state property tax exempted on
22 the qualified residence, or portion of the qualified residence, as a
23 result of the claimant's homeowner relief property tax exemption,
24 such remainderman or other person must reduce the amount owed by the
25 claimant to the remainderman or other person by the amount of the tax
26 savings from the claimant's homeowner relief property tax exemption.
27 If no amount is owed by the claimant to the remainderman or other
28 person, the remainderman or other person must make payment to the
29 claimant in the full amount of the tax savings from the claimant's
30 homeowner relief property tax exemption.

31 (ii) Where a claimant has a life estate in a cooperative
32 ownership or a community land trust, which comprise the claimant's
33 qualified residence, and a remainderman or other person would have
34 otherwise paid the state property tax exempted on the qualified
35 residence, or portion of the residence, as a result of the claimant's
36 homeowner relief property tax exemption, such remainderman or other
37 person must reduce the amount owed by the claimant to the
38 remainderman or other person by the amount of the tax savings from
39 the claimant's homeowner relief property tax exemption. If no amount
40 is owed by the claimant to the remainderman or other person, the

1 remainderman or other person must make payment to the claimant in the
2 full amount of the tax savings from the claimant's homeowner relief
3 property tax exemption.

4 (8) (a) (i) If the assessor finds that the claimant's residence
5 does not meet the qualifications for the homeowner relief property
6 tax exemption, the assessor must deny or cancel the homeowner relief
7 property tax exemption.

8 (ii) If the assessor is unable to determine whether an
9 application for the homeowner relief property tax exemption should be
10 approved, the assessor must deny the homeowner relief property tax
11 exemption.

12 (b) A denial under (a) of this subsection (8) is subject to
13 appeal under the provisions of RCW 84.48.010 and in accordance with
14 the provisions of RCW 84.40.038. If the assessor determines that the
15 claimant had received the homeowner relief property tax exemption in
16 error in prior years, the county treasurer must collect all state
17 property taxes that would have been paid on the claimant's residence
18 for the prior years had the homeowner relief property tax exemption
19 not been claimed, not to exceed six years. Interest, but not
20 penalties, applies to such taxes and is computed at the same rates
21 and in the same way as interest is computed on delinquent taxes.
22 Taxes and interest imposed under this subsection (8) (b):

23 (i) Must be extended on the tax roll;

24 (ii) Are due within 60 days after the date of the treasurer's
25 billing for such taxes and interest; and

26 (iii) Constitute a lien on the real property to which the tax and
27 interest applies as provided in chapter 84.60 RCW.

28 (9) The department may conduct audits of the administration of
29 this section by the county assessors for the homeowner relief
30 property tax exemption as the department considers necessary. The
31 powers of the department under chapter 84.08 RCW apply to these
32 audits.

33 (10) The department may adopt such rules in accordance with
34 chapter 34.05 RCW, and prescribe such forms, as the department deems
35 necessary and appropriate to implement and administer this section.

36 (11) For the purposes of this section:

37 (a) "Claimant" means an individual who is receiving a homeowner
38 relief property tax exemption.

39 (b) "Community land trust" means a private, nonprofit
40 organization created to acquire and hold land for the benefit of a

1 community and provide secure affordable access to land and housing
2 for community residents.

3 (c) "Cooperative ownership" means a type of residential housing
4 where the corporation owns the housing units, and each resident is a
5 shareholder in the corporation based in part on the relative size of
6 the unit in which they reside.

7 (d) "Homeowner relief property tax exemption" means a tax
8 exemption from the state property tax levy for a principal place of
9 residence that meets the requirements of this section.

10 (e) "Manufactured/mobile home," "manufactured housing
11 cooperative," "mobile home park cooperative," and "park model" have
12 the same meanings as in RCW 59.20.030.

13 (f) "Principal place of residence" means a residence occupied for
14 at least 184 days during the calendar year by the claimant.

15 (g) "Qualified residence" means the claimant's principal place of
16 residence that meets the requirements of subsection (7) of this
17 section.

18 (h) "Residence" means a single-family dwelling unit whether such
19 unit is separate or part of a multiunit dwelling, including the land
20 on which such dwelling stands, regardless of whether ownership of the
21 single-family dwelling unit and the land on which the dwelling unit
22 stands is vested in the same person. "Residence" includes:

23 (i) A single-family dwelling unit situated upon lands the fee of
24 which is vested in or held in trust by the United States or any of
25 its instrumentalities, a federally recognized Indian tribe, the state
26 of Washington or any of its political subdivisions, or a municipal
27 corporation;

28 (ii) A single-family dwelling unit consisting of a manufactured/
29 mobile home or park model that has substantially lost its identity as
30 a mobile unit by virtue of its being fixed in location and placed on
31 a foundation with fixed pipe connections with sewer, water, or other
32 utilities;

33 (iii) A single-family dwelling unit consisting of a floating home
34 as defined in RCW 82.45.032.

35 (i) "State levy" means property taxes levied by the state under
36 RCW 84.52.065.

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

1 (1) The homeowner relief property tax exemption administration
2 account is created in the state treasury. All receipts from direct
3 appropriations from the legislature and any other moneys directed to
4 the account from any other source must be deposited into the account.
5 Moneys in the account may be spent only after appropriation.
6 Expenditures from the account may be used only for the purposes
7 provided in this section.

8 (2)(a) Funds deposited into the homeowner relief property tax
9 exemption administration account must be distributed to each county
10 to assist with the costs incurred by the counties in administering
11 the homeowner relief property tax exemption in section 2 of this act.

12 (b)(i) Except as provided in (b)(ii) of this subsection, each
13 county is entitled annually to an amount equal to \$5.00 multiplied by
14 the number of applications for the homeowner relief property tax
15 exemption that the county processed in the most recent calendar year.

16 (ii) For the initial distribution for calendar year 2025 and
17 2026, the distribution amount is equal to \$10.00 multiplied by the
18 estimated number of homeowner relief property tax exemptions that the
19 county will process in that calendar year. The department, with the
20 assistance of the county assessors, must estimate the number of
21 homeowner relief property tax exemptions that the county will process
22 in calendar year 2027.

23 (iii) If funds in the homeowner relief property tax exemption
24 administration account are insufficient to make the full
25 distributions under this subsection, the distributions to all
26 counties must be reduced proportionately.

27 (3)(a) Distributions under subsection (2) of this section must be
28 made by the state treasurer annually by August 1st, beginning August
29 1, 2025, and by August 1st each year thereafter. By July 25th of each
30 year, the department must certify to the state treasurer the amounts
31 to be distributed under this section. Once finalized, no changes may
32 be made to the certification for any reason.

33 (b) By June 1, 2025, and by June 1st each year thereafter, each
34 county assessor must submit to the department any necessary data from
35 the 2024 assessment year in order to complete the estimate under this
36 subsection (3) for the first year of the exemption and every year
37 thereafter. The data required by this subsection (3) must be provided
38 in a form and manner prescribed by the department.

1 (4) The department's estimates and certifications required under
2 this section may not be overturned by a court except upon a showing
3 of willful misconduct by clear, cogent, and convincing evidence.

4 (5) All distributions to counties from the homeowner relief
5 property tax exemption administration account constitute increases in
6 state distributions of revenue to political subdivisions for purposes
7 of state reimbursement for the costs of new programs and increases in
8 service levels under RCW 43.135.060.

9 **Sec. 4.** RCW 84.48.010 and 2017 c 155 s 1 are each amended to
10 read as follows:

11 (1) Prior to July 15th, the county legislative authority must
12 form a board for the equalization of the assessment of the property
13 of the county. The members of the board must receive a per diem
14 amount as set by the county legislative authority for each day of
15 actual attendance of the meeting of the board of equalization to be
16 paid out of the current expense fund of the county. However, when the
17 county legislative authority constitutes the board they may only
18 receive their compensation as members of the county legislative
19 authority. The board of equalization must meet in open session for
20 this purpose annually on the 15th day of July or within (~~fourteen~~)
21 14 days of certification of the county assessment rolls, whichever is
22 later, and, having each taken an oath fairly and impartially to
23 perform their duties as members of such board, they must examine and
24 compare the returns of the assessment of the property of the county
25 and proceed to equalize the same, so that each tract or lot of real
26 property and each article or class of personal property must be
27 entered on the assessment list at its true and fair value, according
28 to the measure of value used by the county assessor in such
29 assessment year, which is presumed to be correct under RCW
30 84.40.0301, and subject to the following rules:

31 (a) They must raise the valuation of each tract or lot or item of
32 real property which is returned below its true and fair value to such
33 price or sum as to be the true and fair value thereof, after at least
34 five days' notice must have been given in writing to the owner or
35 agent.

36 (b) They must reduce the valuation of each tract or lot or item
37 which is returned above its true and fair value to such price or sum
38 as to be the true and fair value thereof.

1 (c) They must raise the valuation of each class of personal
2 property which is returned below its true and fair value to such
3 price or sum as to be the true and fair value thereof, and they must
4 raise the aggregate value of the personal property of each individual
5 whenever the aggregate value is less than the true valuation of the
6 taxable personal property possessed by such individual, to such sum
7 or amount as to be the true value thereof, after at least five days'
8 notice must have been given in writing to the owner or agent thereof.

9 (d) They must reduce the valuation of each class of personal
10 property enumerated on the detail and assessment list of the current
11 year, which is returned above its true and fair value, to such price
12 or sum as to be the true and fair value thereof; and they must reduce
13 the aggregate valuation of the personal property of such individual
14 who has been assessed at too large a sum to such sum or amount as was
15 the true and fair value of the personal property.

16 (e) The board may review all claims for either real or personal
17 property tax exemption, including the homeowner relief property tax
18 exemption under section 2 of this act, as determined by the county
19 assessor, and must consider any taxpayer appeals from the decision of
20 the assessor thereon to determine (i) if the taxpayer is entitled to
21 an exemption, and (ii) if so, the amount thereof.

22 (2) The board must notify the taxpayer and assessor of the
23 board's decision within (~~forty-five~~) 45 days of any hearing on the
24 taxpayer's appeal of the assessor's valuation of real or personal
25 property.

26 (3) The clerk of the board must keep an accurate journal or
27 record of the proceedings and orders of the board showing the facts
28 and evidence upon which their action is based, and the record must be
29 published the same as other proceedings of county legislative
30 authority, and must make a true record of the changes of the
31 descriptions and assessed values ordered by the county board of
32 equalization. The assessor must correct the real and personal
33 assessment rolls in accordance with the changes made by the county
34 board of equalization.

35 (4) The county board of equalization must meet on the 15th day of
36 July or within (~~fourteen~~) 14 days of certification of the county
37 assessment rolls, whichever is later, and may continue in session and
38 adjourn from time to time during a period not to exceed four weeks,
39 but must remain in session not less than three days. However, the
40 county board of equalization with the approval of the county

1 legislative authority may convene at any time when petitions filed
2 exceed (~~(twenty-five)~~) 25, or (~~(ten)~~) 10 percent of the number of
3 appeals filed in the preceding year, whichever is greater.

4 (5) No taxes, except special taxes, may be extended upon the tax
5 rolls until the property valuations are equalized by the department
6 of revenue for the purpose of raising the state revenue.

7 (6) County legislative authorities as such have at no time any
8 authority to change the valuation of the property of any person or to
9 release or commute in whole or in part the taxes due on the property
10 of any person.

11 NEW SECTION. **Sec. 5.** This act takes effect January 1, 2025, if
12 the proposed amendment to Article VII of the state Constitution
13 (Senate Joint Resolution No. . . . (S-3805/24)), providing for a
14 residential real property tax exemption, is validly submitted to and
15 is approved and ratified by the voters at the next general election.
16 If the proposed amendment is not approved and ratified, this act is
17 void in its entirety.

18 NEW SECTION. **Sec. 6.** This act does not affect any existing
19 right acquired or liability or obligation incurred under the sections
20 amended or repealed or under any rule or order adopted under those
21 sections, nor does it affect any proceeding instituted under those
22 sections.

23 NEW SECTION. **Sec. 7.** This act applies to taxes levied for
24 collection in 2027 and thereafter.

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