
SENATE BILL 5770

State of Washington

69th Legislature

2025 Regular Session

By Senators Robinson, Cleveland, Conway, Cortes, Dhingra, Frame, Hasegawa, Kauffman, Krishnadasan, Liiias, Nobles, Pedersen, Riccelli, Saldaña, Slatter, Stanford, Trudeau, Valdez, and C. Wilson

Read first time 02/21/25. Referred to Committee on Ways & Means.

1 AN ACT Relating to providing housing safety, security, and
2 protection by creating the primary residence 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 the middle class and working
10 families and passing it on generationally.

11 (3) The legislature further finds that one's home is not simply
12 an asset to build wealth, but also a critical tool for maintaining
13 one's security and well-being, and Washington's tax code makes no
14 distinction between one's home and other real property subject to
15 property taxation, contributing to loss of property and displacement,
16 particularly for those on fixed incomes.

17 (4) The legislature further finds that many Washingtonians are
18 vulnerable to foreclosure by mortgage holders and other secured
19 creditors, despite the homestead exemption limited in bankruptcy
20 statute, RCW 6.13.030, which is a tool to protect heads of households

1 from having their homes confiscated and sold to satisfy debts from
2 unsecured creditors.

3 (5) Therefore, it is the intent of the legislature to prevent
4 more displacement and loss of real property by exempting a portion of
5 tax of one's principal place of residence to achieve the goal of
6 making sure individuals can reside, raise their families, age in
7 place, and stay in their communities, without fear of displacement
8 due to crises or increase in land and home value assessment. The
9 legislature intends to create a means of providing equity in the tax
10 code by treating one's primary home, including community land trusts
11 and cooperative ownership, differently than other property across
12 Washington.

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

15 (1)(a) Subject to the conditions in this section, a portion of
16 the assessed value of a residence is exempt from the state levy but
17 not from property taxes levied by any local taxing district. Subject
18 to the adjustments and limitations in this subsection (1), and for
19 taxes levied for collection in 2028 and thereafter, the primary
20 residence property tax exemption from the state levy is equal to the
21 greater of \$100,000 assessed valuation or 60 percent of the county
22 median residential assessed value for the most recent year the
23 department collected data by county.

24 (b)(i) The department shall annually publish the county median
25 residential assessed value rounded to the nearest \$1,000 by August
26 1st for the most recent year for which the department collected data
27 by county; and

28 (ii) The department shall adjust the percentage of county median
29 residential assessed value exempted under (a) of this subsection if
30 the state levy is expected to exceed the statutory maximum provided
31 in RCW 84.52.065 to prevent a loss in funding for that year.

32 (c) The amount of the primary residence property tax exemption
33 for a residence may not result in a tax reduction that exceeds the
34 amount of state property taxes that would otherwise be levied on that
35 residence.

36 (2) The primary residence property tax exemption is in addition
37 to, and applied after, the exemption provided in RCW 84.36.379
38 through 84.36.389.

1 (3) (a) (i) The primary residence property tax exemption must be
2 claimed by filing an application with the department by April 1st of
3 the calendar year prior to the first year for which the exemption
4 will be received. The application shall be in a form and manner
5 determined by the department.

6 (ii) A claimant filing an application with the department for a
7 primary residence property tax exemption must include the claimant's
8 address, social security number, parcel number, and any other
9 information the department deems necessary as part of the
10 application.

11 (b) The department shall provide the means for claimants to claim
12 the primary residence property tax exemption for their residence
13 online as prescribed by the department.

14 (c) By August 1st each year, the department shall provide each
15 county assessor a list of all claimants filing an application in the
16 current calendar year.

17 (d) As resources allow, the department shall work with assessors
18 to verify claimants have applied for an exemption for only one
19 residence. As resources allow, the department must notify claimants
20 who appear to have applied for more than one residence or when the
21 department is unable to confirm that the claimant applied for an
22 exemption for only one residence. Such notification may be provided
23 electronically and include a request for additional information
24 needed to confirm that the claimant has applied for only one
25 residence. The verification process under this subsection (3)(d) is
26 not a prerequisite for approval of an application for the primary
27 residence property tax exemption. The department is not required to
28 verify every application.

29 (e) By August 1st each year, the department shall provide each
30 county assessor a list of all claimants where the department has
31 determined that a claimant may have applied for an exemption for more
32 than one residence.

33 (f) A claimant or the claimant's designated agent or legal
34 representative must sign the application attesting that the property
35 for which the primary residence property tax exemption is sought is
36 the claimant's principal place of residence within the meaning of
37 subsection (6) of this section and to the truth of other information
38 in the application. The signature requirements of this subsection
39 (3)(f) may be met by an electronic signature. All signatures on an

1 application must be made under penalty of perjury as provided in
2 chapter 9A.72 RCW.

3 (g) (i) A primary residence property tax exemption continues until
4 the property is sold, transferred, or the claimant no longer
5 qualifies due to change of use as a principal place of residence. A
6 claimant granted a primary residence property tax exemption must
7 immediately inform the department of any change in status affecting
8 the claimant's entitlement to a primary residence property tax
9 exemption.

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

13 (h) An individual may not claim a primary residence property tax
14 exemption on behalf of a deceased individual.

15 (i) The department and the county assessor must protect the
16 privacy and confidentiality of personal data under this subsection
17 (3).

18 (4) If the claimant resides in a cooperative housing association,
19 corporation, or partnership, the application must also be signed by
20 the authorized agent of such cooperative. If the claimant holds a
21 life estate in the residence for which the primary residence property
22 tax exemption is claimed and the claimant is not shown on the tax
23 rolls as the taxpayer for that residence, the remainderman or other
24 person shown on the tax rolls as the taxpayer must also sign the
25 application.

26 (5) Notice of the primary residence property tax exemption and
27 where to obtain further information about the exemption must be
28 included on or with property tax statements and revaluation notices
29 for residential property. The department and each county assessor
30 must publicize the qualifications and manner of making claims for the
31 primary residence property tax exemption, including paid
32 advertisements or notices as deemed appropriate in the sole
33 discretion of the department and county assessors. The department and
34 county assessors must make the primary residence property tax
35 exemption information available in all languages required for voter
36 ballot outreach at the state level.

37 (6) The following conditions apply to the primary residence
38 property tax exemption:

39 (a) The residence must be occupied by the claimant as the
40 claimant's principal place of residence as of the date of the signed

1 application under subsection (3) of this section. A claimant who
2 sells, transfers, or is displaced from the claimant's residence may
3 transfer the claimant's exemption status to a replacement residence,
4 but no claimant may receive the primary residence property tax
5 exemption on more than one residence in any calendar year. However,
6 the confinement of the claimant to a hospital, nursing home, assisted
7 living facility, or adult family home will not disqualify the claim
8 of exemption if:

9 (i) The residence is temporarily unoccupied;

10 (ii) The residence is occupied by either a spouse or state
11 registered domestic partner, a person financially dependent on the
12 claimant for support, or both; or

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

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

17 (i) (A) The claimant must have owned, in fee or by contract
18 purchase, or have held a life estate in, the residence for which the
19 primary residence property tax exemption is claimed; and

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

22 (ii) If the claimant resides in a cooperative housing
23 association, corporation, or partnership, including a mobile home
24 park cooperative or manufactured housing cooperative, the claimant
25 must own a share in the cooperative representing the unit or dwelling
26 in which the claimant resides or the lot on which the claimant's
27 manufactured/mobile home or park model is situated.

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

33 (d) (i) The assessed value of a dwelling owned by a cooperative
34 housing association, corporation, or partnership must be reduced, for
35 purposes of state property taxes levied on the dwelling, by the
36 amount of the primary residence property tax exemption to which a
37 claimant residing in that dwelling is entitled. The cooperative must
38 pass the full amount of its property tax savings under this section
39 to its members in proportion to each member's primary residence
40 property tax exemption. The cooperative may meet its obligation under

1 this subsection (6)(d)(i) by reducing the amount owed by the members
2 to the cooperative or, if no amount be owed, by making payment to the
3 members.

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

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

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

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

5 (7) (a) (i) If the assessor, as part of its existing program of
6 real property inspection or general administration of property tax
7 assessments, finds that the claimant's residence does not meet the
8 qualifications for the primary residence property tax exemption, the
9 assessor must cancel the primary residence property tax exemption and
10 notify the department.

11 (ii) If the assessor, as part of its existing program of real
12 property inspection or general administration of property tax
13 assessments, is unable to determine whether a property qualifies for
14 the primary residence property tax exemption, the assessor must
15 cancel the primary residence property tax exemption and notify the
16 department.

17 (b) A cancellation under (a) of this subsection (7) is subject to
18 appeal under the provisions of RCW 84.48.010 and in accordance with
19 the provisions of RCW 84.40.038. If the assessor determines that the
20 claimant had received the primary residence property tax exemption in
21 error in prior years, the county treasurer must collect all state
22 property taxes that would have been paid on the claimant's residence
23 for the prior years had the primary residence property tax exemption
24 not been claimed, not to exceed six years. Interest, but not
25 penalties, applies to such taxes and is computed at the same rates
26 and in the same way as interest is computed on delinquent taxes.
27 Taxes and interest imposed under this subsection (7) (b):

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

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

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

33 (8) The department may conduct audits of the administration of
34 this section by the county assessors for the primary residence
35 property tax exemption as the department considers necessary. The
36 powers of the department under chapter 84.08 RCW apply to these
37 audits.

38 (9) The department may adopt such rules in accordance with
39 chapter 34.05 RCW, and prescribe such forms, as the department deems
40 necessary and appropriate to implement and administer this section.

1 (10) For the purposes of this section:
2 (a) "Claimant" means an individual who is receiving a primary
3 residence property tax exemption.
4 (b) "Community land trust" means a private, nonprofit
5 organization created to acquire and hold land for the benefit of a
6 community and provide secure affordable access to land and housing
7 for community residents.
8 (c) "Cooperative ownership" means a type of residential housing
9 where the corporation owns the housing units, and each resident is a
10 shareholder in the corporation based in part on the relative size of
11 the unit in which they reside.
12 (d) "Manufactured/mobile home," "manufactured housing
13 cooperative," "mobile home park cooperative," and "park model" have
14 the same meanings as in RCW 59.20.030.
15 (e) "Primary residence property tax exemption" means a tax
16 exemption from the state property tax levy for a principal place of
17 residence that meets the requirements of this section.
18 (f) "Principal place of residence" means a residence occupied for
19 at least 184 days during the calendar year by the claimant.
20 (g) "Residence" means a single-family dwelling unit whether such
21 unit is separate or part of a multiunit dwelling, including the land
22 on which such dwelling stands, regardless of whether ownership of the
23 single-family dwelling unit and the land on which the dwelling unit
24 stands is vested in the same person. "Residence" includes:
25 (i) A single-family dwelling unit situated upon lands the fee of
26 which is vested in or held in trust by the United States or any of
27 its instrumentalities, a federally recognized Indian tribe, the state
28 of Washington or any of its political subdivisions, or a municipal
29 corporation;
30 (ii) A single-family dwelling unit consisting of a manufactured/
31 mobile home or park model that has substantially lost its identity as
32 a mobile unit by virtue of its being fixed in location and placed on
33 a foundation with fixed pipe connections with sewer, water, or other
34 utilities;
35 (iii) A single-family dwelling unit consisting of a floating home
36 as defined in RCW 82.45.032.
37 (h) "State levy" means property taxes levied by the state under
38 RCW 84.52.065.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 84.36

2 RCW to read as follows:

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

10 (2)(a) Funds deposited into the primary residence property tax
11 exemption administration account must be distributed to each county
12 to assist with the costs incurred by the counties in administering
13 the primary residence property tax exemption in section 2 of this
14 act.

15 (b)(i) Except as provided in (b)(ii) of this subsection and
16 subject to appropriation by the legislature, each county is entitled
17 annually to an amount equal to \$5.00 multiplied by the number of
18 applications for the primary residence property tax exemption that
19 the state processed in the most recent calendar year.

20 (ii) For the initial distributions in calendar year 2026 and 2027
21 and subject to appropriation by the legislature, the distribution
22 amount is equal to \$10.00 multiplied by the estimated number of
23 primary residence property tax exemptions that the county will
24 process in calendar year 2027. The department, with the assistance of
25 the county assessors, must estimate the number of primary residence
26 property tax exemptions that the state will process in calendar year
27 2027.

28 (iii) If funds in the primary residence property tax exemption
29 administration account are insufficient to make the full
30 distributions under this subsection, the distributions to all
31 counties must be reduced proportionately.

32 (3)(a) Distributions under subsection (2) of this section must be
33 made by the state treasurer annually by August 1st, beginning August
34 1, 2026, and by August 1st each year thereafter. By July 25th of each
35 year, the department must certify to the state treasurer the amounts
36 to be distributed under this section. Once finalized, no changes may
37 be made to the certification for any reason.

38 (b) By June 1, 2026, and by June 1st each year thereafter, each
39 county assessor must submit to the department any necessary data from
40 the previous assessment year in order to complete the estimate under

1 this subsection (3) for the first year of the exemption and every
2 year thereafter. The data required by this subsection (3) must be
3 provided in a form and manner prescribed by the department.

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

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

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

14 (1) Prior to July 15th, the county legislative authority must
15 form a board for the equalization of the assessment of the property
16 of the county. The members of the board must receive a per diem
17 amount as set by the county legislative authority for each day of
18 actual attendance of the meeting of the board of equalization to be
19 paid out of the current expense fund of the county. However, when the
20 county legislative authority constitutes the board they may only
21 receive their compensation as members of the county legislative
22 authority. The board of equalization must meet in open session for
23 this purpose annually on the 15th day of July or within (~~fourteen~~)
24 14 days of certification of the county assessment rolls, whichever is
25 later, and, having each taken an oath fairly and impartially to
26 perform their duties as members of such board, they must examine and
27 compare the returns of the assessment of the property of the county
28 and proceed to equalize the same, so that each tract or lot of real
29 property and each article or class of personal property must be
30 entered on the assessment list at its true and fair value, according
31 to the measure of value used by the county assessor in such
32 assessment year, which is presumed to be correct under RCW
33 84.40.0301, and subject to the following rules:

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

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

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

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

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

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

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

38 (4) The county board of equalization must meet on the 15th day of
39 July or within (~~fourteen~~) 14 days of certification of the county
40 assessment rolls, whichever is later, and may continue in session and

1 adjourn from time to time during a period not to exceed four weeks,
2 but must remain in session not less than three days. However, the
3 county board of equalization with the approval of the county
4 legislative authority may convene at any time when petitions filed
5 exceed (~~(twenty-five)~~) 25, or (~~(ten)~~) 10 percent of the number of
6 appeals filed in the preceding year, whichever is greater.

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

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

14 NEW SECTION. **Sec. 5.** This act takes effect January 1, 2026, if
15 the proposed amendment to Article VII of the state Constitution
16 (Senate Joint Resolution No. . . . (S-0811/25)), providing for a
17 residential real property tax exemption, is validly submitted to and
18 is approved and ratified by the voters at the next general election.
19 If the proposed amendment is not approved and ratified, this act is
20 void in its entirety.

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

26 NEW SECTION. **Sec. 7.** This act applies to taxes levied for
27 collection in 2028 and thereafter.

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