

## 1995 PROPERTY TAX LEGISLATION

The 1995 Legislature approved the following bills in the area of property tax:

- ✚ 2nd ESSB 5000 - Property tax levy reduction. This bill mandates a one-time reduction in the state property tax levy for taxes due and payable in calendar year 1996. The levy rate is reduced by 4.7181 percent. This reduction will apply to the calculated levy rate after the statutory \$3.60 rate is adjusted by the statewide assessment level. The reduction will not affect the 106 percent calculation for taxes due the following year. Therefore, the effect of the reduction will not carry forward to future years.
- ✚ 2nd ESSB 5001 - Senior citizens property tax exemption; valuation freeze. In 1994 the Legislature approved an increase in the income level of eligible senior citizens and disabled homeowners for the exemption from special property tax levies. However, Section 3 of the bill (EHB 2670) made the entire act contingent upon finding for the administrative costs, and such funding was not provided in 1994. This bill repeals Section 3 and thus the qualifying income level will increase from \$26,000 to \$28,000.
- ✚ 2SSB 5387 - Property tax exemption for targeted housing. A property tax exemption is established for certain multi-family housing projects. The exemption is restricted to cities with populations of at least 150,000 which plan under the Growth Management Act, and the project must consist of at least four units. The intention is to encourage new construction or renovation of underutilized existing buildings in order to enhance residential redevelopment in urban areas. The exemption will continue for a maximum of ten years.
- ✚ SHB 1432 - Property tax statements. Presently, property tax statements must detail the amount of voter-approved levies, either as separate dollar amounts or as a percentage of the total property tax bill. This legislation clarifies that all voter-approved levies, including both regular and excess levies, shall be itemized on the statement. Itemization of annual levies authorized by statute without a vote of the people is not required.
- ✚ SHB 1673 - Senior citizen property tax deferral. The maximum combined disposable income of the household which allows qualified senior citizens or disabled homeowners to defer property taxes is increased from \$30,000 to \$34,000. The age requirement is lowered from 61 to 60; the age is 57 for surviving spouses. The deferral applies to residences up to one acre or up to five acres if certain land use regulations apply.
- ✚ SHB 2067 - Property tax exemption for certain nonprofits extended. Real and personal property owned by nonprofit organizations which are engaged in artistic performances for the general public are currently exempt from property tax. This bill allows the exemption to apply during periods when the property is under construction or being remodeled.