when weight exceeds that allowed for one axle under RCW 46.44.042 or 46.44.041. It shall be unlawful to operate any motor vehicle upon the public highways of this state with a wheelbase between the frontmost axle and the rearmost axle of less than three feet, six inches: PROVIDED, That the minimum wheelbase for mopeds is thirty-eight inches.

For the purposes of this section, wheelbase shall be measured upon a straight line from center to center of the vehicle axles designated.

NEW SECTION. Sec. 8. There is added to chapter 46.61 RCW a new section to read as follows:

(1) No person shall operate a moped upon the highways of this state unless the moped has been assigned a moped registration number and displays a moped permit in accordance with the provisions of section 5 of this 1979 act.

(2) Notwithstanding any other provision of law, a moped may not be operated on a bicycle path or trail, bikeway, equestrian trail, or hiking or recreational trail.

(3) Operation of a moped on a fully controlled limited access highway or on a sidewalk is unlawful.

(4) Removal of any muffling device or pollution control device from a moped is unlawful.

NEW SECTION. Sec. 9. There is added to chapter 46.61 RCW a new section to read as follows:

Mopeds shall comply with those federal motor vehicle safety standards established under the national traffic vehicle safety act of 1966 (15 U.S.C. Sec. 1381, et. seq.) which are applicable to a motor-driven cycle, as that term is defined in such federal standards.

Passed the Senate May 25, 1979.
Passed the House April 27, 1979.
Approved by the Governor June 4, 1979.
Filed in Office of Secretary of State June 4, 1979.

CHAPTER 214
[Substitute Senate Bill No. 2374]
RESIDENTIAL PROPERTY TAX EXEMPTION, DEFERRAL—ASSESSMENT VALUATION

AN ACT Relating to revenue and taxation; amending section 1, chapter 182, Laws of 1974 ex. sess. as last amended by section 1, chapter 268, Laws of 1977 ex. sess. and RCW 84.36-.381; amending section 2, chapter 182, Laws of 1974 ex. sess. as amended by section 1, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.36.383; amending section 3, chapter 182, Laws of 1974 ex. sess. as amended by section 2, chapter 268, Laws of 1977 ex. sess. and RCW 84.36.385; amending section 5, chapter 182, Laws of 1974 ex. sess. and RCW 84.36.389; amending section 27, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.38-.020; amending section 28, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.38.030; amending section 29, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.38.040; amending section 30, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.38.050;
amending section 2, chapter 131, Laws of 1974 ex. sess. and RCW 84.41.041; creating a
new section; prescribing penalties; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 1, chapter 182, Laws of 1974 ex. sess. as last amend-
ed by section 1, chapter 268, Laws of 1977 ex. sess. and RCW 84.36.381
are each amended to read as follows:

A person shall be exempt from any legal obligation to pay all or a por-
tion of the amount of excess and regular real property taxes due and pay-
able in the year following the year in which a claim is filed in accordance
with the following ((conditions)):

(1) The ((property taxes must have been imposed upon a residence
which has been regularly occupied by the person claiming the exemption
during the two calendar years preceding the year in which the exemption
claim is filed; or the)) property taxes must have been imposed upon a resi-
dence which was occupied by the person claiming the exemption as a prin-
cipal place of residence as of January 1st of the year for which the claim is
filed ((and the person claiming the exemption must also have been a resi-
dent of the state of Washington for the last three calendar years preceding
the year in which the claim is filed)); PROVIDED, That any person who
sells, transfers, or is displaced from his or her residence may transfer his or
her exemption status to a replacement residence, but no claimant shall re-
ceive an exemption on more than one residence in any year; PROVIDED
FURTHER, That confinement of the person to a hospital or nursing home
shall not disqualify the claim of exemption if the residence is temporarily
unoccupied or if the residence is occupied by a spouse and/or a person fi-
nancially dependent on the claimant for support;

(2) The person claiming the exemption must have owned, at the time of
filing, in fee, as a life estate, or by contract purchase, the residence on
which the property taxes have been imposed or if the person claiming the
exemption lives in a cooperative housing association, corporation, or part-
nership, such person must own a share therein representing the unit or por-
tion of the structure in which he or she resides. For purposes of this
subsection, a residence owned by a marital community or owned by coten-
ants shall be deemed to be owned by each spouse or cotenant;

(3) The person claiming the exemption must have been ((sixty-two))
sixty-one years of age or older on January 1st of the year in which the ex-
emption claim is filed, or must have been, at the time of filing, retired from
regular gainful employment by reason of physical disability; PROVIDED,
That any surviving spouse of a person who was receiving an exemption at
the time of the person's death shall qualify if the surviving spouse is fifty-
seven years of age or older and otherwise meets the requirements of this
section;

(4) The amount that the person shall be exempt from an obligation to
pay shall be calculated, on the basis of the combined income, from all
sources whatsoever, of the person claiming the exemption (and), his or her spouse, and any cotenant occupying the residence for the preceding calendar year (in accordance with the following schedule):

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Percentage of Excess Levies Exemption</th>
</tr>
</thead>
<tbody>
<tr>
<td>$7,000 or less</td>
<td>One hundred percent</td>
</tr>
<tr>
<td>$7,001–$8,000</td>
<td>Fifty percent</td>
</tr>
</tbody>
</table>

Provided, however, that, in addition, any person, who otherwise qualifies under the provisions of this section, and is within the income range of six thousand dollars or less shall be exempt from any obligation to pay regular property taxes on up to five thousand dollars of valuation of his or her residence provided further, that. If the person claiming the exemption was retired for two months or more of the preceding year, the combined income of such person, his or her spouse, and any cotenant occupying the residence shall be calculated by multiplying the average monthly income of such person, his or her spouse, and any cotenant occupying the residence during the months such person was retired by twelve. Only two-thirds of any social security benefits, federal civil service retirement, or railroad retirement pension shall be considered as income for the purposes of this section. Provided further, that. The gain realized by any person from the sale, transfer, or upon being displaced from his or her residence shall not be considered as income for the purposes of this section if reinvested in a replacement residence within eighteen months of its realization.

5 (a) A person who otherwise qualifies under this section and is within the income range of eleven thousand dollars or less shall be exempt from all excess property taxes; and in addition

(b) A person who otherwise qualifies under this section and is within the income range of seven thousand dollars or less shall be exempt from all regular property taxes on up to fifteen thousand dollars of valuation of his or her residence.

6 For the purposes of this section, cotenants mean two or more individuals who reside together, who jointly own the residence, and who otherwise meet the requirements of this section.

Sec. 2. Section 2, chapter 182, Laws of 1974 ex. sess. as amended by section 15, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.36.383 are each amended to read as follows:

As used in this chapter RCW 84.36.381 through 84.36.389, except where the context clearly indicates a different meaning:

(1) The term "residence" shall mean a single family dwelling unit whether such unit be separate or part of a multiunit dwelling, including the land on which such dwelling stands not to exceed one acre. The term shall
also include a share ownership in a cooperative housing association, corporation, or partnership if the person claiming exemption can establish that his or her share represents the specific unit or portion of such structure in which he or she resides. The term shall also include a single family dwelling situated upon lands the fee of which is vested in the United States or any instrumentality thereof including an Indian tribe or in the state of Washington, and notwithstanding the provisions of RCW 84.04.080, 84.04-090 or 84.40.250, such a residence shall be deemed real property.

(2) The term "real property" except for the purposes of chapters 84.56 and 84.60 RCW, shall also include a mobile home which has substantially lost its identity as a mobile unit by virtue of its being fixed in location upon land owned or leased by the owner of the mobile home and placed on a foundation (posts or blocks) with fixed pipe, connections with sewer, water, or other utilities.

(3) The term "preceding calendar year" shall mean the calendar year preceding the year in which the claim for exemption is to be made.

(4) "Department" shall mean the state department of revenue.

Sec. 3. Section 3, chapter 182, Laws of 1974 ex. sess. as amended by section 2, chapter 268, Laws of 1977 ex. sess. and RCW 84.36.385 are each amended to read as follows:

Claims for exemption or a renewal affidavit under RCW 84.36.381 as now or hereafter amended, shall be made annually and filed between January 2 and July 1 of the year in which the property tax levies are imposed and solely upon forms as prescribed and furnished by the department of revenue.

Claims under RCW 84.36.381 through 84.36.389, as now or hereafter amended, in 1979 shall be filed between January 2 and October 1, 1979. Persons who filed claims after January 2, 1979 and who would have been eligible for an exemption in 1980 under the law amended by this 1979 act are eligible for an exemption under sections 1 through 4 of this 1979 act without necessity of reapplication.

In January of each year the county assessor shall mail renewal affidavits for exemption to each person approved for exemption during the previous year.

If the assessor finds that the applicant does not meet the qualifications as set forth in RCW 84.36.381, as now or hereafter amended, the claim shall be denied but such denial shall be subject to appeal under the provisions of RCW 84.48.010(5). If the applicant had received exemption in prior years based on erroneous information, the taxes shall be collected subject to penalties as provided in RCW 84.40.130 for a period of not to exceed three years.

The department and each local assessor is hereby directed to publicize the qualifications and manner of making claims (pursuant to this chapter) under RCW 84.36.381 through 84.36.389, through communications media,
including such paid advertisements or notices as it deems appropriate. Notice of the qualifications, method of making applications and availability of further information shall be included on or with property tax statements and revaluation notices for all residential property including mobile homes, except rental properties. For assessment year 1980 and thereafter, the notice shall also indicate that claim forms and renewal affidavits are available in January of the year in which the property tax levies are imposed.

Sec. 4. Section 5, chapter 182, Laws of 1974 ex. sess. and RCW 84.36-.389 are each amended to read as follows:

(1) The director of the department of revenue shall adopt such rules and regulations and prescribe such forms as may be necessary and appropriate for implementation and administration of this chapter subject to chapter 34.04 RCW, the administrative procedure act.

(2) The department may conduct such audits of the administration of RCW 84.36.381 through 84.36.389 and the claims for exemption filed thereunder as it considers necessary. The powers of the department under chapter 84.08 RCW apply to these audits.

(3) Any information or facts concerning confidential income data obtained by the assessor or the department, or their agents or employees, under subsection (2) of this section shall be used only to administer RCW 84.36.381 through 84.36.389. Notwithstanding any provision of law to the contrary, absent written consent by the person about whom the information or facts have been obtained, the confidential income data shall not be disclosed by the assessor or the assessor's agents or employees to anyone other than the department or the department's agents or employees nor by the department or the department's agents or employees to anyone other than the assessor or the assessor's agents or employees except in a judicial proceeding pertaining to the taxpayer's entitlement to the tax exemption under RCW 84.36.381 through 84.36.389. Any violation of this subsection is a misdemeanor.

Sec. 5. Section 27, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.38.020 are each amended to read as follows:

Unless a different meaning is plainly required by the context, the following words and phrases as hereinafter used in this chapter shall have the following meanings:

(1) "Claimant" means a retired person who elects to defer payment of the special assessments and/or real property taxes accrued on his residence by filing a declaration to defer as provided by this chapter.

When two or more individuals of a household file or seek to file a declaration to defer, they may determine between them as to who the claimant shall be.

(2) "Consumer price index" shall mean the consumer price index for urban wage earners and clerical workers as compiled by the bureau of labor statistics of the United States department of labor.
(3) "Department" means the state department of revenue.

(4) "Equity value" means the amount by which the fair market value of a residence as determined from the records of the county assessor exceeds the total amount of any liens or other obligations against the property.

(5) "Owned" includes possession under a contract of sale, deed of trust, or tenancy in common.

(6) "Special assessment" means the charge or obligation imposed by a city, town, county, or other municipal corporation upon property specially benefited by a local improvement, including assessments under chapters 35-44, 36.88, 36.94, 53.08, 54.16, 56.20, 57.16, 86.09, and 87.03 RCW and any other relevant chapter.

(7) "Real property taxes" means ad valorem property taxes levied on a residence in this state in the preceding calendar year. If a residence is an integral part of a larger unit such as a farm, or a multipurpose or multidwelling building, real property taxes shall be that percentage of the total property taxes accrued as the value of the residence is of the total value of the unit. For purposes of this paragraph "unit" refers to the parcel of property covered by a single tax statement of which the residence is a part.

(8) "Preceding calendar year" shall mean the calendar year preceding the year in which the application for deferral of special assessment and/or real property taxes is made.

(9) The term "residence" shall mean a single family dwelling unit whether such unit be separate or part of a multiunit dwelling, including the land on which such dwelling stands not to exceed one acre per unit. The term shall also include a single family dwelling situated upon lands the fee of which is vested in the United States or any instrumentality thereof including an Indian tribe or in the state of Washington or its municipal corporations, and notwithstanding the provisions of RCW 84.04.080, 84.04.090, or 84.40.250, such a residence shall be deemed real property.

(10) The term "real property", except for the purposes of chapters 84.56 and 84.60 RCW, shall also include a mobile home which has substantially lost its identity as a mobile unit by virtue of its being fixed in location upon land owned or leased by the owner of the mobile home and placed on a foundation (posts or blocks) with fixed pipe, connections with sewer, water or other utilities.

Sec. 6. Section 28, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.38.030 are each amended to read as follows:

A retired person may elect to defer payment of special assessments and/or real property taxes on his residence up to eighty percent of the amount of his equity value in said property if the following conditions are met:

(1) The special assessments and/or property taxes must have been imposed upon a residence: (a) Which has been regularly occupied by the person claiming the deferral during the two calendar years preceding the year
in which the deferral claim is filed; or (b) which was occupied by the person claiming the deferral as a principal place of residence as of January 1st of the year in which the claim is filed and the person claiming the deferral must also have been a resident of the state of Washington for the last three calendar years preceding the year in which the claim is filed: PROVIDED, That confinement of the person to a hospital or nursing home shall not disqualify the claim of deferral if the residence is temporarily unoccupied or if the residence is occupied by a spouse and/or a person financially dependent on the claimant for support.

(2) The claimant must have owned, at the time of filing, the residence on which the special assessment and/or real property taxes have been imposed. For purposes of this subsection, a residence owned by a marital community or owned by cotenants shall be deemed to be owned by each spouse or cotenant.

(3) The claimant must have been sixty-one years of age or older on January 1st of the year in which the deferral claim is filed, or must have been, at the time of filing, retired from regular gainful employment by reason of physical disability: PROVIDED, That any surviving spouse of a person who was receiving a deferral at the time of the person's death shall qualify if the surviving spouse is fifty-seven years of age or older and otherwise meets the requirements of this chapter.

(4) The claimant, his or her spouse, and any cotenant occupying the residence must not have received income of the type referred to in RCW 84.36.381, as now or hereafter amended, during the preceding calendar year which exceeds the following amounts:

(a) For claims filed in 1976—eight thousand dollars;
(b) For claims filed in subsequent years, an amount equal to the previous year's income limit adjusted by the percentage change in the consumer price index for the twelve month period ending September 31st of the previous year.

(5) The claimant must have and keep in force fire and casualty insurance in sufficient amount to protect the interest of the state in the claimant's equity value.

(6) In the case of special assessment deferral, claimant must have opted for payment of such special assessments on the installment method if such method was available.

(7) For the purposes of this section, cotenants mean two or more individuals who reside together, who jointly own the residence, and who otherwise meet the requirements of this section.

Sec. 7. Section 29, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.38.040 are each amended to read as follows:

(1) Each claimant electing to defer payment of special assessments and/or real property tax obligations under this chapter shall file with the county assessor, on forms prescribed by the department and supplied by the
assessor, a written declaration thereof. The declaration to defer special assessments and/or real property taxes for any year shall be filed ((prior to July 1st each year for deferral for the following year)) no later than thirty days before the tax or assessment is due.

(2) The declaration shall designate the property to which the deferral applies, and shall include a statement setting forth (a) a list of all members of the claimant's household, (b) the claimant's equity value in his residence, (c) facts establishing the eligibility for the deferral under the provisions of this chapter, and (d) any other relevant information required by the rules of the department. Each copy shall be signed by the claimant subject to the penalties as provided in chapter 9.72 RCW for the false swearing. The first declaration to defer filed in a county shall include proof of the claimant's age acceptable to the assessor.

(3) The county assessor shall determine if each claimant shall be granted a deferral for each year but the claimant shall have the right to appeal this determination to the county board of equalization whose decision shall be final as to the deferral of that year.

Sec. 8. Section 30, chapter 291, Laws of 1975 1st ex. sess. and RCW 84.38.050 are each amended to read as follows:

(1) (a) Declarations to defer property taxes for all years following the first year may be made by filing with the county assessor ((on or before July 1st)) no later than thirty days before the tax is due a renewal form in duplicate, prescribed by the department of revenue and supplied by the county assessor, which affirms the continued eligibility of the claimant.

(b) In January of each year, the county assessor shall send to each claimant who has been granted deferral of ad valorem taxes for the previous year renewal forms and notice to renew.

(2) Declarations to defer special assessments shall be made by filing with the assessor ((on or before July 1st of any year)) no later than thirty days before the special assessment is due on a form to be prescribed by the department of revenue and supplied by the county assessor. Upon approval, the full amount of special assessments upon such claimant's residence shall be deferred ((for the following year)) but not to exceed an amount equal to eighty percent of the claimant's equity value in said property.

Sec. 9. Section 2, chapter 131, Laws of 1974 ex. sess. and RCW 84.41.041 are each amended to read as follows:

Each county assessor shall cause taxable real property ((being valued)) to be physically inspected and valued at least once every four years ((in order to provide adequate data from which to make accurate valuations)) in accordance with RCW 84.41.030, and in accordance with a plan filed with and approved by the department of revenue. Such revaluation plan shall provide that a reasonable portion of all taxable real property within a county shall be revalued and these newly-determined values placed on the assessment rolls each year. During the intervals between each physical
inspection of real property, the valuation of such property may be adjusted to its current true and fair value, such adjustments to be based upon appropriate statistical data.

The assessor may require property owners to submit pertinent data respecting taxable property in their control including data respecting any sale or purchase of said property within the past five years, the cost and characteristics of any improvement on the property and other facts necessary for appraisal of the property. ((The provisions of this section shall take effect on January 1, 1977.))

NEW SECTION. Sec. 10. The exemption created by sections 1 through 4 of this act shall be effective starting with property taxes levied in calendar year 1979 for collection in calendar year 1980. The former exemption created by the law amended shall continue to be effective with respect to property taxes levied in calendar year 1978 for collection in calendar year 1979.

NEW SECTION. Sec. 11. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate May 25, 1979.
Passed the House May 23, 1979.
Approved by the Governor June 4, 1979.
Filed in Office of Secretary of State June 4, 1979.