

(2) This section shall expire December 31, 1989.

Passed the House April 22, 1987.

Passed the Senate April 15, 1987.

Approved by the Governor May 8, 1987.

Filed in Office of Secretary of State May 8, 1987.

CHAPTER 301

[Substitute House Bill No. 695]

REAL PROPERTY TAX EXEMPTION FOR SENIOR CITIZENS AND DISABLED PERSONS—INCOME LIMITS AND EXEMPTION AMOUNTS INCREASED

AN ACT Relating to property tax exemptions for senior citizens and disabled persons; amending RCW 84.36.381; and creating a new section.

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

Sec. 1. Section 1, chapter 182, Laws of 1974 ex. sess. as last amended by section 5, chapter 11, Laws of 1983 1st 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 portion of the amount of excess and regular real property taxes due and payable in the year following the year in which a claim is filed, and thereafter, in accordance with the following:

(1) The property taxes must have been imposed upon a residence which was occupied by the person claiming the exemption as a principal place of residence as of January 1st of the year for which the exemption is claimed: 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 receive 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 financially 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 partnership, such person must own a share therein representing the unit or portion of the structure in which he or she resides. 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, and any lease for life shall be deemed a life estate;

(3) The person claiming the exemption must have been sixty-one years of age or older on January 1st of the year in which the exemption 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 combined disposable income, as defined in RCW 84.36.383. If the person claiming the exemption was retired for two months or more of the preceding year, the combined disposable income of such person shall be calculated by multiplying the average monthly combined disposable income of such person during the months such person was retired by twelve.

(5) (a) A person who otherwise qualifies under this section and has a combined disposable income of ~~((fifteen))~~ eighteen thousand dollars or less shall be exempt from all excess property taxes; and ~~((in addition~~

~~(a) For taxes first due in 1984, a person who otherwise qualifies under this section and has a combined disposable income of twelve thousand dollars or less shall be exempt from all regular property taxes on up to twenty thousand dollars of the valuation of his or her residence; and))~~

(b) ~~((For taxes first due in 1985 and thereafter:))~~ (i) A person who otherwise qualifies under this section and has a combined disposable income of ~~((twelve))~~ fourteen thousand dollars or less but greater than ~~((nine))~~ twelve thousand dollars shall be exempt from all regular property taxes on the greater of twenty-four thousand dollars or thirty percent of the valuation of his or her residence, but not to exceed forty thousand dollars of the valuation of his or her residence; or

(ii) A person who otherwise qualifies under this section and has a combined disposable income of ~~((nine))~~ twelve thousand dollars or less shall be exempt from all regular property taxes on the greater of ~~((twenty-five))~~ twenty-eight thousand dollars or fifty percent of the valuation of his or her residence.

NEW SECTION. Sec. 2. This act shall be effective for taxes levied for collection in 1989 and thereafter.

Passed the House April 22, 1987.

Passed the Senate April 15, 1987.

Approved by the Governor May 8, 1987.

Filed in Office of Secretary of State May 8, 1987.