

# FINAL BILL REPORT

## HB 2514

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C 187 L 92  
*Synopsis As Enacted*

**Brief Description:** Modifying for the purposes of senior citizen property tax relief the calculation of combined disposable income for persons whose spouse has recently died.

By Representatives Wynne, Wang, Belcher, Brumsickle, Fraser, P. Johnson, G. Cole, Ballard, Rayburn, Horn, O'Brien, D. Sommers, Rust, Miller, Morton, Morris, Mitchell, Ferguson, Wood, Riley, Wilson, Basich, Forner, Hargrove, Silver, Heavey, Chandler, Broback, Moyer, Schmidt, Carlson, Vance, Van Luven, Zellinsky, Hine, Tate, Dellwo, Betrozoff, Haugen, Paris, Winsley, Lisk, Bowman, Orr, May, Brough, J. Kohl, Kremen, Ludwig, Roland, Pruitt, Spanel, Casada and Rasmussen.

House Committee on Revenue  
Senate Committee on Ways & Means

**Background:** Qualifying senior citizens and retired disabled persons are entitled to a partial property tax exemption on their principal residence. To qualify, a person must be 61 in the year of application, or retired from employment because of a physical disability. In addition, the disposable income of the applicant's household must be below \$26,000 a year.

Disposable income is the sum of federally defined adjusted gross income and the following, if not already included: capital gains, deductions for loss, depreciation, pensions and annuities, military pay and benefits, veterans benefits, social security benefits, dividends, and interest income. The income of a spouse and cotenants with an ownership interest in the residence is included in disposable income.

If a person was retired for less than the entire year, but for at least two months, then an annual disposable income is calculated only from the retirement income.

**Summary:** The calculation of retirement income is changed for persons whose retirement income is reduced when their spouse dies. If the income is reduced for at least two months, then annual disposable income is calculated only from the retirement income after the death of the spouse.

***Votes on Final Passage:***

House	96	0	
Senate	46	0	(Senate amended)
House			(House refused to concur)
Senate	45	1	(Senate receded)

***Effective:*** June 11, 1992