

RCW 84.36.381 Residences—Property tax exemptions—

Qualifications. A person is 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) (a) 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 the time of filing. However, 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 may receive an exemption on more than one residence in any year. Moreover, confinement of the person to a hospital, nursing home, assisted living facility, adult family home, or home of a relative for the purpose of long-term care does not disqualify the claim of exemption if:

(i) The residence is temporarily unoccupied;

(ii) The residence is occupied by a spouse or a domestic partner and/or a person financially dependent on the claimant for support; or

(iii) The residence is rented for the purpose of paying nursing home, hospital, assisted living facility, or adult family home costs.

(b) For the purpose of this subsection (1), "relative" means any individual related to the claimant by blood, marriage, or adoption;

(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 state registered domestic partnership or owned by cotenants is deemed to be owned by each spouse or each domestic partner or each cotenant, and any lease for life is deemed a life estate;

(3) (a) The person claiming the exemption must be:

(i) Sixty-one years of age or older on December 31st 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 disability; or

(ii) A veteran of the armed forces of the United States entitled to and receiving compensation from the United States department of veterans affairs at:

(A) A combined service-connected evaluation rating of 80 percent or higher; or

(B) A total disability rating for a service-connected disability without regard to evaluation percent.

(b) However, any surviving spouse or surviving domestic partner of a person who was receiving an exemption at the time of the person's death will qualify if the surviving spouse or surviving domestic partner is 57 years of age or older and otherwise meets the requirements of this section;

(4) (a) The amount that the person is exempt from an obligation to pay is calculated on the basis of combined disposable income, as defined in RCW 84.36.383.

(b) If the person claiming the exemption was retired for two months or more of the assessment year, the combined disposable income of such person must be calculated by multiplying the average monthly

combined disposable income of such person during the months such person was retired by 12.

(c) If the income of the person claiming exemption is reduced for two or more months of the assessment year by reason of the death of the person's spouse or the person's domestic partner, or when other substantial changes occur in disposable income that are likely to continue for an indefinite period of time, the combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person after such occurrences by 12.

(d) (i) If the income of the person claiming the exemption increases as a result of a cost-of-living adjustment to social security benefits or supplemental security income in an amount that would disqualify the applicant from eligibility, the applicant is not disqualified but instead maintains eligibility.

(ii) The continued eligibility under this subsection applies to applications for property taxes levied for collection in calendar year 2024.

(e) If it is necessary to estimate income to comply with this subsection (4), the assessor may require confirming documentation of such income prior to May 31st of the year following application;

(5) (a) A person who otherwise qualifies under this section and has a combined disposable income equal to or less than income threshold 3 is exempt from all excess property taxes, the additional state property tax imposed under RCW 84.52.065(2), and the portion of the regular property taxes authorized pursuant to RCW 84.55.050 and approved by the voters, if the legislative authority of the county or city imposing the additional regular property taxes identified this exemption in the ordinance placing the RCW 84.55.050 measure on the ballot; and

(b) (i) A person who otherwise qualifies under this section and has a combined disposable income equal to or less than income threshold 2 but greater than income threshold 1 is exempt from all regular property taxes on the greater of \$50,000 or 35 percent of the valuation of his or her residence, but not to exceed \$70,000 of the valuation of his or her residence; or

(ii) A person who otherwise qualifies under this section and has a combined disposable income equal to or less than income threshold 1 is exempt from all regular property taxes on the greater of \$60,000 or 60 percent of the valuation of his or her residence;

(6) (a) For a person who otherwise qualifies under this section and has a combined disposable income equal to or less than income threshold 3, the valuation of the residence is the assessed value of the residence on the later of January 1, 1995, or January 1st of the assessment year the person first qualifies under this section. If the person subsequently fails to qualify under this section only for one year because of high income, this same valuation must be used upon requalification. If the person fails to qualify for more than one year in succession because of high income or fails to qualify for any other reason, the valuation upon requalification is the assessed value on January 1st of the assessment year in which the person requalifies. If the person transfers the exemption under this section to a different residence, the valuation of the different residence is the assessed value of the different residence on January 1st of the assessment year in which the person transfers the exemption.

(b) In no event may the valuation under this subsection be greater than the true and fair value of the residence on January 1st of the assessment year.

(c) This subsection does not apply to subsequent improvements to the property in the year in which the improvements are made. Subsequent improvements to the property must be added to the value otherwise determined under this subsection at their true and fair value in the year in which they are made. [2023 c 147 s 1; 2019 c 453 s 1; 2018 c 46 s 2; 2017 3rd sp.s. c 13 s 311; 2015 3rd sp.s. c 30 s 2; 2012 c 10 s 73; 2011 c 174 s 105; 2010 c 106 s 306; 2008 c 6 s 706; 2005 c 248 s 2; 2004 c 270 s 1; 1998 c 333 s 1; 1996 c 146 s 1; 1995 1st sp.s. c 8 s 1; 1994 sp.s. c 8 s 1; 1993 c 178 s 1; 1992 c 187 s 1. Prior: 1991 c 213 s 3; 1991 c 203 s 1; 1987 c 301 s 1; 1983 1st ex.s. c 11 s 5; 1983 1st ex.s. c 11 s 2; 1980 c 185 s 4; 1979 ex.s. c 214 s 1; 1977 ex.s. c 268 s 1; 1975 1st ex.s. c 291 s 14; 1974 ex.s. c 182 s 1.]

Tax preference performance statement exemption—Automatic expiration date exemption—2023 c 147: "RCW 82.32.805 and 82.32.808 do not apply to this act." [2023 c 147 s 6.]

Application—2019 c 453: "This act applies for taxes levied for collection in 2020 and thereafter." [2019 c 453 s 9.]

Automatic expiration date and tax preference performance statement exemption—2019 c 453: "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act." [2019 c 453 s 10.]

Intent—2018 c 46: "It is the intent of the legislature that the property tax exemption for the owner-occupied residences of low-income seniors, disabled veterans, and other people who are disabled applies to any additional local regular property taxes imposed by a city or county that has also approved such an action by identifying the tax exemption in the ballot measure placed before the voters." [2018 c 46 s 1.]

Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 ss 301-314: See notes following RCW 84.52.065.

Intent—2017 3rd sp.s. c 13: See note following RCW 28A.150.410.

Tax preference performance statement—2017 c 323; 2015 3rd sp.s. c 30: "This section is the tax preference performance statement for the tax preference contained in section 2, chapter 30, Laws of 2015 3rd sp. sess. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(1) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals, as indicated in RCW 82.32.808(2)(e).

(2) It is the legislature's specific public policy objective to provide tax relief to senior citizens, disabled persons, and veterans. The legislature recognizes that property taxes impose a substantial financial burden on those with fixed incomes and that property tax relief programs have considerable value in addressing this burden. It

is the legislature's intent to increase the current statutory static income thresholds which were last modified in 2004.

(3) This tax preference is meant to be permanent and, therefore, not subject to the ten-year expiration provision in RCW 82.32.805(1)(a)." [2017 c 323 s 304; 2015 3rd sp.s. c 30 s 1.]

Application—2015 3rd sp.s. c 30: "This act applies to taxes levied for collection in 2016 and thereafter." [2015 3rd sp.s. c 30 s 4.]

Application—2012 c 10: See note following RCW 18.20.010.

Effective date—2010 c 106: See note following RCW 35.102.145.

Part headings not law—Severability—2008 c 6: See RCW 26.60.900 and 26.60.901.

Application—2005 c 248: "This act applies to taxes levied for collection in 2006 and thereafter." [2005 c 248 s 3.]

Application—1998 c 333: "This act applies to taxes levied for collection in 1999 and thereafter." [1998 c 333 s 4.]

Effective date—1996 c 146: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately [March 25, 1996]." [1996 c 146 s 2.]

Effective date of 1994 sp.s. c 8—Applicability—1995 1st sp.s. c 8: "Chapter 8, Laws of 1994 sp. sess. shall take effect July 1, 1995, and shall be effective for taxes levied in 1995 for collection in 1996 and thereafter." [1995 1st sp.s. c 8 s 6.]

Application—1995 1st sp.s. c 8: "This act shall apply to taxes levied in 1995 for collection in 1996 and thereafter." [1995 1st sp.s. c 8 s 7.]

Severability—1995 1st sp.s. c 8: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1995 1st sp.s. c 8 s 8.]

Effective date—1995 1st sp.s. c 8: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect July 1, 1995." [1995 1st sp.s. c 8 s 9.]

Applicability—1993 c 178: "This act shall be effective for taxes levied for collection in 1993 and thereafter." [1993 c 178 s 2.]

Effective date—1993 c 178: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately [April 30, 1993]." [1993 c 178 s 3.]

Applicability—1992 c 187: "Section 1 of this act shall be effective for taxes levied for collection in 1992 and thereafter." [1992 c 187 s 2.]

Applicability—1991 c 213: See note following RCW 84.38.020.

Applicability—1991 c 203: "Section 1 of this act shall be effective for taxes levied for collection in 1992 and thereafter." [1991 c 203 s 5.]

Applicability—1987 c 301: "This act shall be effective for taxes levied for collection in 1989 and thereafter." [1987 c 301 s 2.]

Intent—1983 1st ex.s. c 11: "The legislature finds that inflation has significant detrimental effects on the senior citizen property tax relief program. Inflation increases incomes without increasing real buying power. Inflation also raises the values of homes, and thus the taxes on those homes. This act addresses the problem of inflation in two ways. First, the assessed value exemption is tied to home value so it will increase as values rise. Secondly, though the income of most senior citizens does not keep pace with inflation, it is the legislature's intent that inflationary increases in incomes will not result in program disqualification. Therefore, the income levels are adjusted to reflect the forecasted increase in inflation. The legislature also recommends that similar adjustments be examined by future legislatures." [1983 1st ex.s. c 11 s 1.]

Applicability—1983 1st ex.s. c 11: "This act applies to taxes first due in 1984 and thereafter." [1983 1st ex.s. c 11 s 7.]

Effective dates—1983 1st ex.s. c 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 [May 11, 1983], except sections 5 and 6 of this act shall take effect January 1, 1984." [1983 1st ex.s. c 11 s 8.]

Applicability—1980 c 185: See note following RCW 84.36.379.

Applicability—1979 ex.s. c 214: "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." [1979 ex.s. c 214 s 10.]

Effective dates—Severability—1975 1st ex.s. c 291: See notes following RCW 82.04.050.

Severability—1974 ex.s. c 182: "If any provision of this 1974 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected." [1974 ex.s. c 182 s 8.]