

PROPERTY TAXES

PROPERTY TAX EXEMPTIONS - NONPROFIT ORGANIZATIONS

84.36.020 CHURCHES, PARSONAGES, CONVENTS & CHURCH GROUNDS

Description: Churches and grounds not exceeding five acres, parsonages and convents of recognized nonprofit religious denominations are exempt from property tax.

Purpose: This long-standing exemption may have originally been enacted by the territorial legislature because it was perceived to be unconstitutional under federal law to tax such property. Subsequently, it reflected legislative policy that recognized the social benefits of religious organizations.

Category/Year Enacted: Nonprofit - charitable or religious. 1854

Primary Beneficiaries: Approximately 4,945 churches representing over 120 different religious denominations covering some 9,538 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 10,905	\$ 11,257	\$ 11,579	\$ 11,892
Local levies	\$ 39,598	\$ 41,687	\$ 43,729	\$ 45,814

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.030(1) NONSECTARIAN ORGANIZATIONS

Description: Property owned by nonprofit, benevolent, charitable organizations not affiliated with a specific religion and used for character-building, benevolent, protective or rehabilitative social services for people of all ages is exempt from property taxation.

Purpose: To support the social programs these organizations provide.

Category/Year Enacted: Nonprofit - charitable or religious. 1915

Primary Beneficiaries: Approximately 638 nonprofit, nonsectarian organizations, representing about 1,122 parcels of real property.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 2,418	\$ 2,496	\$ 2,567	\$ 2,637
Local levies	\$ 8,781	\$ 9,244	\$ 9,697	\$ 10,158

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.030(1) NONPROFIT MERCHANDISE SALES

Description: Nonprofit benevolent or charitable organizations that sell donated merchandise on their own premises are exempt from property tax, as long as the proceeds are devoted to furthering the character-building, benevolent, protective or rehabilitative purposes of these organizations.

Purpose: To support the program and social benefits these organizations provide.

Category/Year Enacted: Nonprofit - charitable or religious. 1983

Primary Beneficiaries: These include approximately 10 thrift shops and many other nonprofit organizations that occasionally sell donated merchandise. Altogether there are 638 applicants that comprise 1,122 parcels which are exempt under this statute.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 127	\$ 131	\$ 135	\$ 139
Local levies	\$ 462	\$ 487	\$ 510	\$ 535

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.030(2) CHURCH CAMPS

Description: Property owned by a nonprofit church, denomination, group of churches, or association of churches which is used as a camp facility is exempt from property tax, as long as the size does not exceed 200 acres.

Purpose: To provide equal treatment with other church-owned property and to support the programs provided by these camps.

Category/Year Enacted: Nonprofit - charitable or religious. 1971

Primary Beneficiaries: Approximately 375 parcels owned by 119 religious organizations.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 402	\$ 415	\$ 427	\$ 439
Local levies	\$ 1,460	\$ 1,537	\$ 1,613	\$ 1,689

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.030(3) YOUTH ORGANIZATIONS

Description: Property owned by nonprofit, character-building organizations serving boys and girls under eighteen years of age is exempt from property taxation. If an existing charter specifies that the organization serve youth up to the age of twenty-one, then the property of the organization is also exempt.

Purpose: To support the social benefits that accrue from these organizations.

Category/Year Enacted: Nonprofit - charitable or religious. 1933

Primary Beneficiaries: Approximately 205 parcels owned by 97 youth organizations.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 280	\$ 289	\$ 298	\$ 306
Local levies	\$ 1,018	\$ 1,072	\$ 1,124	\$ 1,178

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.030(5) RED CROSS

Description: Property owned by corporations, incorporated under any Congressional act, that provide volunteer aid to the armed forces and carry on a program of national and international relief is exempt from property taxation.

Purpose: To support the social benefits provided by the American Red Cross and to recognize that the Red Cross is considered to be a nontaxable federal instrumentality under constitutional caselaw.

Category/Year Enacted: Nonprofit - health or social welfare. 1945

Primary Beneficiaries: The Red Cross and its 19 chapters in Washington.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 29	\$ 30	\$ 31	\$ 32
Local levies	\$ 104	\$ 109	\$ 116	\$ 122

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.030(6) STUDENT LOAN ORGANIZATIONS

Description: Property owned by nonprofit organizations that are exempt from federal income tax and are guarantee agencies under the federal guaranteed student loan program or that issue debt to provide or acquire student loans is exempt from property tax.

Purpose: To support the programs and benefits that these organization provide to college students.

Category/Year Enacted: Nonprofit - other. 1987

Primary Beneficiaries: The personal property of two organizations is exempt (no real property is owned).

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 3	\$ 3	\$ 3	\$ 3
Local levies	\$ 11	\$ 11	\$ 12	\$ 12

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.032 CHURCH ADMINISTRATIVE OFFICES

Description: Real and personal property to the extent it is used for administrative offices of recognized nonprofit religious organizations is exempt from property tax.

Purpose: To provide equal treatment with the exemption of church property and grounds, because some religious organizations conduct their administrative functions from the church itself while others have separate offices at a different location.

Category/Year Enacted: Nonprofit - charitable or religious. 1975

Primary Beneficiaries: Approximately 36 religious organizations, representing 51 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 162	\$ 167	\$ 172	\$ 176
Local levies	\$ 587	\$ 618	\$ 648	\$ 679

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.035 BLOOD, BONE AND TISSUE BANKS

Description: Real and personal property owned or leased by nonprofit blood banks, bone banks and tissue banks is exempt from property tax.

Purpose: To support the social benefits that accrue from the work of these organizations.

Category/Year Enacted: Nonprofit - health or social welfare. 1971; extended to leased property and to bone and tissue banks in 1995.

Primary Beneficiaries: Approximately 14 applicants covering 25 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 117	\$ 120	\$ 124	\$ 127
Local levies	\$ 423	\$ 445	\$ 468	\$ 490

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.037 PUBLIC ASSEMBLY HALLS AND MEETING PLACES

Description: Public assembly halls and meeting places which are owned by a nonprofit entity and made available to all organizations are exempt from property tax. The property must be used exclusively for public gatherings. For improved facilities the exempt area is limited to one acre, but for unimproved property that has been used for annual community celebration events for at least ten years as much as 29 acres may be exempt.

Purpose: To support the social benefits these meeting places provide.

Category/Year Enacted: Nonprofit - other. 1981; in 1997 use of the property for commercial purposes for up to seven days was allowed.

Primary Beneficiaries: Approximately 264 public assembly halls/meeting places, comprising 317 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 186	\$ 192	\$ 197	\$ 202
Local levies	\$ 674	\$ 710	\$ 745	\$ 780

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.040(1a) DAY CARE CENTERS

Description: Real and personal property used by nonprofit day care centers as defined in RCW 74.15.020 is exempt from property tax.

Purpose: To support the social benefits these organizations provide.

Category/Year Enacted: Nonprofit - health or social welfare. 1973

Primary Beneficiaries: Approximately 98 organizations, operating some 141 day care centers.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 260	\$ 269	\$ 276	\$ 284
Local levies	\$ 946	\$ 995	\$ 1,044	\$ 1,094

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.040(1b) FREE PUBLIC LIBRARIES

Description: Real and personal property used by nonprofit organizations that operate libraries that are open to the public without charge are exempt from property tax.

Purpose: To provide equal treatment with publicly owned libraries and to support the social benefit that private nonprofit libraries provide.

Category/Year Enacted: Nonprofit - arts or cultural. 1854

Primary Beneficiaries: Approximately 11 nonprofit organizations that operate libraries.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 9	\$ 9	\$ 10	\$ 10
Local levies	\$ 33	\$ 35	\$ 36	\$ 38

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.040(1c) ORPHANAGES

Description: Real and personal property used by nonprofit orphanages is exempt from property tax.

Purpose: To support the social benefits these organizations provide.

Category/Year Enacted: Nonprofit - health or social welfare. 1891

Primary Beneficiaries: It is believed that only one organization currently operates an orphanage in Washington.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 17	\$ 17	\$ 18	\$ 18
Local levies	\$ 62	\$ 64	\$ 66	\$ 69

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.040(1d) NURSING HOMES

Description: Real and personal property used by nursing homes that are operated by nonprofit organizations is exempt from property tax.

Purpose: To support the social benefits provided by these facilities.

Category/Year Enacted: Nonprofit - health or social welfare. 1891

Primary Beneficiaries: Approximately 41 nonprofit nursing homes, comprising 71 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 716	\$ 810	\$ 912	\$ 1,026
Local levies	\$ 2,601	\$ 3,000	\$ 3,446	\$ 3,954

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.040(1e) NONPROFIT HOSPITALS

Description: Real and personal property used by privately owned nonprofit hospitals is exempt from property tax.

Purpose: To support the social benefits provided by these institutions and to create equal treatment with public hospitals.

Category/Year Enacted: Nonprofit - health or social welfare. 1886

Primary Beneficiaries: Approximately 63 private, nonprofit hospitals comprising 505 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 6,813	\$ 7,033	\$ 7,234	\$ 7,430
Local levies	\$ 24,740	\$ 26,044	\$ 27,321	\$ 28,623

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.040(1f) OUTPATIENT DIALYSIS FACILITIES

Description: Real and personal property used by nonprofit organizations as outpatient dialysis treatment facilities is exempt from property tax.

Purpose: In the past, organizations that performed dialysis treatment at facilities they owned were exempt as hospitals. However, the delivery of dialysis treatment has changed and such services may now be provided at leased outpatient facilities that are separate from a hospital. This exemption assures that all property and equipment used for dialysis treatment is exempt.

Category/Year Enacted: Nonprofit - health or social welfare. 1987

Primary Beneficiaries: Approximately 13 outpatient dialysis facilities comprising 15 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 444	\$ 459	\$ 472	\$ 485
Local levies	\$ 1,614	\$ 1,699	\$ 1,782	\$ 1,867

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.041 HOMES FOR THE AGING

Description: Real and personal property used by a nonprofit home for the aging is exempt from property tax if: (a) at least 50% of the dwelling units are occupied by eligible residents (age 61 or older with annual household income not greater than \$22,000 or 80% of the county median income); (b) the home is subsidized under a federal HUD program; or (c) the home is financed using bonds that are exempt from federal income tax and a percentage of the units are required to be set aside for low income residents. If the entire home fails to qualify, the exemption for the real property is prorated based on the number of eligible residents or those requiring assistance with daily activities.

Purpose: To provide equity between the senior citizens who own their own homes and qualify for the senior citizens property tax exemption and those who reside in homes for the aging.

Category/Year Enacted: Nonprofit - health or social welfare. Established as a separate statute in 1989.

Primary Beneficiaries: Approximately 94 applicants that operate retirement homes comprising 290 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 1,485	\$ 1,679	\$ 1,891	\$ 2,128
Local levies	\$ 5,392	\$ 6,218	\$ 7,144	\$ 8,196

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?

No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.042 HOUSING FOR THE DEVELOPMENTALLY DISABLED

Description: Real and personal property used by nonprofit organizations to provide housing for eligible persons with developmental disabilities is exempt from property tax.

Purpose: To support the social benefits provided by these organizations.

Category/Year Enacted: Nonprofit - health or social welfare. 1998

Primary Beneficiaries: Approximately 200 homes.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 89	\$ 90	\$ 90	\$ 92
Local levies	\$ 323	\$ 332	\$ 340	\$ 353

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?

No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.043 EMERGENCY OR TRANSITIONAL HOUSING

Description: Property tax exemption is allowed for property used by a nonprofit organization to provide emergency or transitional housing for low-income, homeless persons or for victims of domestic violence who are homeless for personal safety reasons. To be exempt, the charge, if any, for the housing cannot exceed the actual cost to operate and maintain the facility. (NOTE: RCW 84.36.030(1) also provides exemption for nonprofit organizations that provide "protective" services.)

Purpose: To support the services provided by such organizations.

Category/Year Enacted: Nonprofit - health or social welfare. 1983

Primary Beneficiaries: Approximately 206 organizations comprising 390 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 341	\$ 352	\$ 362	\$ 372
Local levies	\$ 1,239	\$ 1,304	\$ 1,368	\$ 1,433

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?

No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.045 MEDICAL RESEARCH & TRAINING FACILITIES

Description: Property tax exemption is provided for real and personal property that is owned or used by nonprofit corporations or associations which is available without charge for research by, or for the training of, doctors, nurses, laboratory technicians, and hospital personnel.

Purpose: To support nonprofit medical research and training facilities.

Category/Year Enacted: Nonprofit - health or social welfare. 1975; extended in 1998 to leased facilities.

Primary Beneficiaries: Approximately 9 medical research centers comprising 18 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 610	\$ 630	\$ 648	\$ 665
Local levies	\$ 2,214	\$ 2,331	\$ 2,445	\$ 2,563

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?

No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.046 CANCER TREATMENT CLINICS

Description: Real and personal property of clinics that are primarily used in the prevention, detection and treatment of cancer is exempt from property tax, if the clinic is comprised of or formed by a nonprofit organization or municipal hospital corporation.

Purpose: To provide an exemption for outpatient nonprofit cancer clinics and centers. Nonprofit hospitals are exempt under RCW 84.36.040 but that statute does not cover outpatient clinics.

Category/Year Enacted: Nonprofit - health or social welfare. 1997

Primary Beneficiaries: Three applicants comprising seven parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 167	\$ 172	\$ 177	\$ 182
Local levies	\$ 605	\$ 637	\$ 667	\$ 700

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.047 RADIO & TV TRANSMISSION STATIONS

Description: Property tax exemption is provided for the real and personal property of nonprofit organizations used exclusively to rebroadcast, amplify or otherwise facilitate the transmission or reception of radio or television signals originally broadcast by foreign or domestic government agencies for reception by the general public.

Purpose: To support the activities of nonprofit broadcasters and the transmission of their programs.

Category/Year Enacted: Nonprofit - other. 1977

Primary Beneficiaries: Previously, there was one transmission facility which utilized this exemption; however, this facility no longer exists. Thus, there are no current beneficiaries.

Possible Program Inconsistency: None evident.

Taxpayer Savings (\$000) None.

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84.36.050(1) PRIVATE SCHOOLS: COLLEGES

Description: Property owned or used by private, nonprofit colleges and universities that is used exclusively for educational purposes or cultural or art education programs is exempt from property tax. The exemption covers dormitories and other student housing, athletic facilities, faculty housing and all other structures and facilities which are used for education purposes. The maximum amount of real property which may be exempt is 400 acres.

Purpose: To support education provided by nonprofit organizations.

Category/Year Enacted: Nonprofit - other. 1925

Primary Beneficiaries: Approximately 18 privately-owned colleges and universities.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 4,249	\$ 4,415	\$ 4,577	\$ 4,742
Local levies	\$ 15,428	\$ 16,351	\$ 17,285	\$ 18,269

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?

No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.050(1) PRIVATE SCHOOLS: K - 12

Description: Property owned or used by private, nonprofit schools offering education from kindergarten through high school that is used exclusively for educational purposes or cultural or art education programs is exempt from property tax. The exemption covers dormitories and other student housing, athletic facilities, faculty housing and all other structures and facilities which are used for education purposes. The maximum amount of real property which may be exempt is 400 acres.

Purpose: To support education provided by nonprofit organizations.

Category/Year Enacted: Nonprofit - other. 1925

Primary Beneficiaries: Approximately 506 private schools.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 4,479	\$ 4,795	\$ 5,115	\$ 5,449
Local levies	\$ 16,264	\$ 17,758	\$ 19,319	\$ 20,992

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?

No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.050(2) EDUCATIONAL FOUNDATIONS

Description: Real or personal property owned by a nonprofit foundation that is established for the exclusive support of an institution of higher education (either public or private) is exempt from property tax, if the property is leased to and used by the institution solely for programs for currently enrolled students which support the educational functions of the institution.

Purpose: To support the educational programs of public and private institutions of higher education which are conducted by educational foundations.

Category/Year Enacted: Nonprofit - other. 2001

Primary Beneficiaries: Approximately 10 institutions of higher learning with such foundations.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 18	\$ 19	\$ 19	\$ 20
Local levies	\$ 67	\$ 70	\$ 74	\$ 77

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.060(1a) ART, SCIENTIFIC AND HISTORICAL COLLECTIONS

Description: Real and personal property of art, scientific and historical collections owned by nonprofit organizations is exempt from property tax, if the items are available to the general public. Property that is used exclusively to protect, maintain and exhibit these collections is also exempt. The organization must receive a substantial part of its financial support either from government or from contributions by the general public.

Purpose: To support nonprofit museums that display art, scientific or historical materials for the public.

Category/Year Enacted: Nonprofit - arts or cultural. 1915

Primary Beneficiaries: This exemption covers a wide variety of collections and museums (e.g. model railroads). Approximately 213 parcels owned by 123 organizations are exempted.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 546	\$ 566	\$ 584	\$ 602
Local levies	\$ 1,983	\$ 2,095	\$ 2,206	\$ 2,320

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.060(1b) PERFORMING ARTS

Description: Property tax exemption is provided for real and personal property that is owned by or leased to nonprofit organizations that engage in the production and performance of musical, dance, artistic, dramatic or literary works for the benefit of the public. The organization must receive a substantial part of its financial support from either government or from contributions by the general public.

Purpose: To support artistic, literary, musical, dance or dramatic organizations and recognize the educational and artistic contribution they make to society.

Category/Year Enacted: Nonprofit - arts or cultural. 1981

Primary Beneficiaries: Organizations such as little theaters, dance companies, music clubs, art centers, choral groups, symphonies, etc. Approximately 70 parcels owned by 54 organizations are exempt.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 402	\$ 422	\$ 443	\$ 463
Local levies	\$ 1,458	\$ 1,565	\$ 1,672	\$ 1,785

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?

No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.250 NONPROFIT WATER DISTRIBUTION

Description: Real and personal property of nonprofit cooperatives or corporations which is used exclusively to distribute water to shareholders or members is exempt from property tax.

Purpose: To provide the same treatment for private, nonprofit water distributors and public water districts.

Category/Year Enacted: Nonprofit - other. 1965

Primary Beneficiaries: Approximately 230 nonprofit water corporations or cooperatives, comprising 510 parcels, and their shareholders and members.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 130	\$ 134	\$ 138	\$ 142
Local levies	\$ 471	\$ 496	\$ 521	\$ 545

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?

No - other taxpayers would experience reduced taxes for the state levy and most local levies.

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84.36.260 CONSERVATION AND OPEN SPACE LANDS

Description: Property tax exemption is provided for real property interests, development rights, easements, covenants and conservation futures on land used exclusively for the conservation of ecological systems, natural resources and open space purposes by nonprofit organizations which are primarily devoted to scientific purposes or conserving natural resources or open space for public purposes. The land must be dedicated to these purposes or be subject to an option to purchase by a governmental entity.

Purpose: To encourage the preservation of open space land and support the activities of nature preservation and conservation organizations.

Category/Year Enacted: Nonprofit - other. 1967

Primary Beneficiaries: Approximately 167 organizations, covering 685 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 121	\$ 142	\$ 167	\$ 196
Local levies	\$ 438	\$ 526	\$ 631	\$ 756

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.350 SHELTERED WORKSHOPS

Description: Real and personal property of nonprofit corporations used to operate a sheltered workshop for handicapped persons is exempt from property tax. Included is property used primarily for manufacturing, handling, sale, or distribution of goods constructed, processed or repaired in the workshop. Inventory owned by a sheltered workshop for sale or lease by the workshop, including raw materials, works in process and finished products is also exempt.

Purpose: To support the social benefits and rehabilitative opportunities accruing from these workshops.

Category/Year Enacted: Nonprofit - health or social welfare. 1970

Primary Beneficiaries: Approximately 42 organizations, representing 108 parcels.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 343	\$ 354	\$ 364	\$ 374
Local levies	\$ 1,246	\$ 1,311	\$ 1,376	\$ 1,441

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

PROPERTY TAXES

84.36.480 NONPROFIT FAIR ASSOCIATIONS

Description: Real and personal property of a nonprofit fair association that sponsors or conducts a county fair is exempt from property tax. The association must receive parimutuel tax revenues and the property must be used exclusively for fair purposes. Loan or rental of the property to other nonprofit organizations does not nullify the exemption, if the rental income is reasonable and is solely devoted to maintenance of the property.

Purpose: To support agricultural fairs.

Category/Year Enacted: Nonprofit - other. 1975

Primary Beneficiaries: Approximately eight associations, comprising 20 parcels, benefit from this exemption.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 11	\$ 12	\$ 12	\$ 12
Local levies	\$ 41	\$ 43	\$ 45	\$ 48

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.500 CONSERVATION FUTURES ON FARM LANDS

Description: Conservation futures on agricultural lands acquired by a governmental entity, nonprofit historic preservation corporation, or nonprofit nature conservancy are exempt from property tax on the value of the development rights. To qualify, the lands must be enrolled in the current use assessment program, the conservation futures must be for an unlimited duration, and they must effectively prohibit conversion of the parcel to a nonagricultural use.

Purpose: To encourage the retention of farm lands, particularly in urban transitional areas.

Category/Year Enacted: Nonprofit - other. 1984

Primary Beneficiaries: Nonprofit organizations that acquire the development rights to agricultural lands and the owners of the land who are thereby enabled to remain in farming.

Possible Program Inconsistency: None evident.

Taxpayer Savings (\$000) No current impact. The conservation futures that have been purchased to date generally involve open space lands under RCW 84.36.260, rather than farm lands under this statute.

PROPERTY TAXES

84.36.550 NONPROFIT FUND-RAISING

Description: Real and personal property owned by nonprofit organizations and used for solicitation or collection of gifts, donations or grants is exempt from property tax. To qualify, the organization must: (1) be organized for nonsectarian purposes; (2) be affiliated with a state or national organization which authorizes, approves or sanctions volunteer charitable fund-raising contributions; (3) be exempt from federal income tax; and (4) be governed by a volunteer board of directors. Also, the funds generated must be used for character-building, benevolent, protective or rehabilitative social services or for distribution to at least five other similar nonprofit organizations.

Purpose: To support the fund-raising activities of such nonprofit organizations.

Category/Year Enacted: Nonprofit - other. 1993

Primary Beneficiaries: The United Way comprising three parcels which are owned by the organization.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 28	\$ 29	\$ 29	\$ 30
Local levies	\$ 101	\$ 106	\$ 112	\$ 117

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?

No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.560 LOW-INCOME RENTAL HOUSING

Description: Real and personal property owned or leased by a nonprofit organization to provide rental housing for very low-income families is exempt from property tax. Low-income is defined as less than 50% of the median income for the same county, adjusted for the applicable size of the household.

Purpose: To encourage the construction and use of housing facilities or mobile home parks for households with very low incomes.

Category/Year Enacted: Nonprofit - health or social welfare. 1999

Primary Beneficiaries: Owners of about 240 rental facilities, comprising approx. 4,500 units.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 884	\$ 892	\$ 895	\$ 912
Local levies	\$ 3,203	\$ 3,297	\$ 3,372	\$ 3,507

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?

No - other taxpayers would experience reduced taxes for the state levy and most local levies.

PROPERTY TAXES

84.36.570 DEMONSTRATION FARMS

Description: Exemption from property tax is provided for real and personal property owned by a nonprofit organization and used by a research and education program of a state university as a demonstration farm. The farm must include research and extension facilities, a public agricultural museum and an educational tour site. The property may be used in the production and sale of agricultural products, if the income is used to further the purposes of the organization and the land does not exceed 50 acres.

Purpose: To enable continued operation by WSU of a demonstration cranberry farm in Pacific County.

Category/Year Enacted: Nonprofit - other. 1999

Primary Beneficiaries: A single demonstration farm operation.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 1	\$ 1	\$ 1	\$ 1
Local levies	\$ 2	\$ 2	\$ 2	\$ 2

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.

84.36.650 FUND-RAISING SUPPORT FOR INDIVIDUAL ARTISTS

Description: Property tax exemption is allowed for real and personal property owned by a nonprofit organization that is devoted to raising funds for individual artists. The organization must be nonsectarian, exempt from federal income tax, and have a board of directors of at least eight members. The funds generated by the organization must be used for grants, fellowships, information services or educational resources in support of individual artists.

Purpose: To assist this one organization.

Category/Year Enacted: Nonprofit - arts or cultural. 2003

Primary Beneficiaries: It is believed that only one entity presently qualifies.

Possible Program Inconsistency: None evident.

<u>Taxpayer Savings (\$000)</u>	<u>CY 2004</u>	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
State levy	\$ 2	\$ 2	\$ 2	\$ 2
Local levies	\$ 6	\$ 7	\$ 8	\$ 8

If the exemption were repealed, would the taxpayer savings be realized as increased revenues?
No - other taxpayers would experience reduced taxes for the state levy and most local levies.