

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

Senate Committee on Human Services and Early Childhood

REVENUE: Minimal revenue impact, no statement issued**FISCAL: No fiscal impact****SUBSEQUENT REFERRAL TO: None****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Cheyenne Ross, Administrator**Meeting Dates:** 5/5

WHAT THE MEASURE DOES: Provides alternate definition of “low income” for purposes of property tax abatement for nonprofit corporation relating to housing. Directs governing bodies to designate use of standard or alternative definition of “low income.” Allows governing bodies to change currently adopted definition of “low income.” Takes effect 91st day after *sine die*. Sunsets June 30, 2027.

ISSUES DISCUSSED:**EFFECT OF COMMITTEE AMENDMENT:**

BACKGROUND: Currently, nonprofit corporations receive property tax abatement for housing they own that is rented to individuals or families with incomes at or below a 60 percent of Area Median Income (AMI). If the renter’s income exceeds 60 percent AMI, property taxes will be assessed against the nonprofit corporation for that property.

House Bill 3082 provides an expanded allowable definition that local jurisdictions may adopt for the purpose of ongoing qualification for tax abatement for nonprofits that offer housing to low-income individuals and families. The new definition would allow for existing renters’ incomes to exceed 60 percent AMI, up to, but not exceeding, 80 percent. Local jurisdictions may also elect to stay with the current definition. For initial eligibility for tax abatement, individuals and families must have income at or below 60 percent AMI.