

Special Notice

Intended audience: County assessors, county treasurers, taxing districts, local governments, and nonprofit organizations operating registered recovery residences.

Aug. 18, 2023

Providing a property tax exemption for registered recovery residences

Second Engrossed Second Substitute Senate Bill 5536 ([2E2SSB 5536](#)) amends [RCW 84.36.043](#) to provide a property tax exemption for real and personal property used by a nonprofit organization to operate an approved recovery residence registered by the Washington State Health Care Authority (HCA) ([RCW 41.05.760](#)).

“Recovery residence” means a home-like environment that promotes healthy recovery from a substance use disorder and supports persons recovering from a substance use disorder through the use of peer recovery support.

This provision takes effect Aug. 15, 2023, and applies to taxes levied for collection in 2024 through 2033. Applications submitted on Form 63 0001 will be accepted by the Department of Revenue (department) beginning Aug. 15, 2023.

Requirements

To qualify for the exemption, the following requirements must be met:

- The recovery residence must be approved for inclusion in the [registry of recovery homes](#) maintained by the HCA.
- The charge for housing may not exceed the actual cost of operation and maintenance.
- The property must be owned or leased by a qualifying nonprofit organization.
 - ◊ If the property is leased, the nonprofit must be the beneficiary of the exemption.

To be eligible for inclusion in the registry, the recovery residence must either:

- Be certified by a nationally recognized recovery residence certification organization based in

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Washington that is approved by the HCA.

- Meet certain criteria as a chapter of a national recovery residence organization with peer-run homes that is approved by the HCA.

Questions?

If you have questions or need additional information, please contact the department's Property Tax division at 360-534-1400 or your county assessor.

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