

June 5, 2018

Leslie Mullin
Washington State Department of Revenue
PO Box 47453
Olympia, WA 98504-7453

Re: Comments on Amending WAC 458-16-260 Nonprofit child day care centers, libraries, orphanages, homes for sick and infirm, hospitals, outpatient dialysis facilities (WSR 18-10-051).

On behalf of our 107 hospital and health system members, the Washington State Hospital Association appreciates the opportunity to provide comment on the CR-102 proposal to amend the WAC language concerning the definition of organizations used for purposes of applying property tax exemptions. WSHA appreciates the Department of Revenue's interest in updating the rule to maximize clarity and consistency with Department of Health standards and language.

Specifically, we appreciate and support the proposed change to the Definitions section (2)(d)(B), from ***"Clinics or physician's offices not licensed as part of a hospital, where patients are not regularly kept as bed patients for twenty-four hours or more"*** to ***"Clinics or physicians' offices, unless licensed as part of a hospital."***

We believe the change makes the definition consistent with the definition of hospital contained in (2)(d) which includes outpatient services in addition to inpatient services requiring twenty-four hour bed stays and states: ***"Hospital" means a nonprofit organization, association, ... persons. The term also means all buildings or portions of buildings that are currently licensed as part of a hospital pursuant to chapters [70.41](#) or [71.12](#) RCW, and are part of an integrated, interrelated, homogeneous unit exclusively used for hospital purposes.*** We believe the proposed change also makes the definition consistent with Board of Tax Appeals and supreme court decisions related to hospital property tax exemptions.

We thank you again for the opportunity to comment. If you have questions, please contact Andrew Busz, WSHA Policy Director, Finance at andrewb@wsha.org or (206) 216-2533.



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