JLARC will review a property tax exemption for historic ships and vessels

The 1986 Legislature enacted a property tax exemption for all ships and vessels listed on the state or national register of historic places. The tax preference has not been modified since enacted.

This preference is included in the 10-year review schedule set by the Citizen Commission for Performance Measurement of Tax Preferences.

Inferred objective to encourage preservation of historic vessels in Washington

The preference was enacted before the Legislature required public policy objectives for new tax preferences. JLARC staff infer it was intended to encourage historic ship and vessel preservation in the state.

This study will address the following questions:

1. To what extent has the preference been used? Has the number of historic ships and vessels listed on the state or national register increased since the preference was enacted?
2. Are there other state or federal incentives available to preserve historic ships and vessels?
3. Where are the ships and vessels using the preference located, and are there benefits to the public?
4. What are the estimated beneficiary savings?

Per RCW 44.28.076, JLARC staff will determine whether there are racial equity considerations directly related to the study mandate and scope. We will update this document once that process is complete.

Study timeframe
Preliminary Report: July 2023
Proposed Final Report: December 2023

Study team

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JLARC Study Process

- Study Mandate
  - Budget, legislation, committee direction
- Proposed Study Questions
- Legislative Auditor's Preliminary Report
- For Tax Preferences:
  - Citizen Commission meeting
  - Public testimony
  - Commission adopts comments
- Legislative Auditor's Proposed Final Report
  - Agency response included
- Final Report
  - Option to append committee comment
  - Committee votes to distribute completed audit