

# SENATE BILL REPORT

## HB 1455

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As Reported By Senate Committee On:  
Ways & Means, March 30, 1999

**Title:** An act relating to correcting errors related to property tax levies.

**Brief Description:** Correcting errors related to property tax levies.

**Sponsors:** Representatives Ericksen, Lovick, Barlean and Thomas; by request of Department of Revenue.

**Brief History:**

**Committee Activity:** Ways & Means: 3/30/99 [DPA].

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass as amended.

Signed by Senators Loveland, Chair; Bauer, Vice Chair; Brown, Vice Chair; Fraser, Honeyford, Kline, Kohl-Welles, Long, Roach, Rossi, B. Sheldon, Snyder, Spanel, Thibaudeau, West, Winsley, Wojahn and Zarelli.

**Staff:** David Schumacher (786-7474)

**Background:** Property taxes are imposed by the state and local governments. The county assessor determines assessed value for each property. The county assessor also calculates the tax rate necessary to raise the correct amount of property taxes for each taxing district. The assessor calculates the rate so that the individual district rate limit, the district revenue limit, and the aggregate rate limits are all satisfied. The assessor delivers the county tax roll to the treasurer. The county treasurer collects property tax based on the tax roll starting February 15 each year. The county treasurer makes monthly distributions of the property taxes to the taxing districts.

**Summary of Amended Bill:** Assessors are required to correct errors that resulted in all taxpayers within a district paying an incorrect amount of property tax. The correction is made in the property tax for the taxing district in the following year. For large adjustments, the governing body of the district may choose to phase in the adjustment over three years. Corrections are limited to taxes no more than three years old.

Treasurers are required to correct errors in the distribution of property tax receipts to taxing districts. Adjustments are made in the following year. If the adjustment is large it may be taken over a three-year period. Corrections are limited to distributions made within the prior three years. These changes are effective January 1, 2000.

**Amended Bill Compared to Substitute Bill:** The striking amendment provides that only errors that occur after January 2000 may be corrected.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** No one.