H-1059.1 _____

HOUSE BILL 1385
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State of Washington   **52nd Legislature**   **1991 Regular Session**

By Representative Valle.

Read first time January 28, 1991. Referred to Committee on Revenue.

1   AN ACT Relating to assessed valuation of property; adding new
2 sections to chapter 84.40 RCW; and adding a new section to chapter
3 82.45 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5   NEW SECTION. **Sec. 1.** A new section is added to chapter 84.40 RCW
6 to read as follows:
7   The county assessor shall use the 1989 assessment of residential
8 property for taxes levied for collection in 1991 if directed by
9 resolution of the county legislative authority that 1990 assessments
10 reflect substantial volatility in the real estate market in the county.

11   NEW SECTION. **Sec. 2.** A new section is added to chapter 84.40 RCW
12 to read as follows:

1   (1) For taxes levied for collection after 1991, the value of
2 residential property for purposes of property tax assessment shall be
3 the lesser of the following values at the time of revaluation:
4   (a) True and fair market value as established by the county
5 assessor in accordance with applicable law; or
6   (b) The most recent assessed value of the property increased on
7 January 1 each year thereafter by the lesser of the rate of inflation
8 or six percent, compounded annually.
9   (2) The limitation contained in subsection (1)(b) of this section
10 shall apply for the purposes of the valuation for individual property
11 tax assessments upon which individual tax payments are made.

12   NEW SECTION. **Sec. 3.** A new section is added to chapter 82.45 RCW
13 to read as follows:
14   At the time of sale, the seller shall pay an additional one percent
15 excise tax on the difference between the assessed value and the actual
16 sales price. This additional excise tax shall apply only if the actual
17 sales price is greater than the assessed value.