

SENATE BILL 5273

State of Washington 52nd Legislature 1991 Regular Session

By Senators Rinehart, Conner, Gaspard, Murray and A. Smith.

Read first time January 25, 1991. Referred to Committee on
Governmental Operations.

1 AN ACT Relating to improving property tax administrative practices;
2 requiring annual updating of assessed values; providing more complete
3 information about property tax administration; modifying qualification
4 requirements for property tax appraisers; requiring a study; amending
5 RCW 84.41.030, 84.41.041, and 36.21.015; adding a new section to
6 chapter 84.41 RCW; adding a new section to chapter 84.08 RCW; creating
7 a new section; and declaring an emergency.

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

9 **Sec. 1.** RCW 84.41.030 and 1982 1st ex.s. c 46 s 1 are each amended
10 to read as follows:

11 Each county assessor shall maintain an active and systematic
12 program of revaluation on a continuous basis, and shall establish a
13 revaluation schedule which will result in revaluation of all taxable
14 real property within the county at least once each (~~four~~) year(~~s~~)

1 and physical inspection of all taxable real property within the county
2 at least once each six years.

3 **Sec. 2.** RCW 84.41.041 and 1987 c 319 s 4 are each amended to read
4 as follows:

5 Each county assessor shall cause taxable real property to be
6 physically inspected and valued at least once every six years in
7 accordance with RCW 84.41.030, and in accordance with a plan filed with
8 and approved by the department of revenue. Such revaluation plan shall
9 provide that a reasonable portion of all taxable real property within
10 a county shall be physically inspected and revalued and these newly-
11 determined values placed on the assessment rolls each year. ((The
12 department may approve a plan that provides that all property in the
13 county be revalued every two years. If the revaluation plan provides
14 for physical inspection at least once each four years, during the
15 intervals between each physical inspection of real property, the
16 valuation of such property may be adjusted to its current true and fair
17 value, such adjustments to be based upon appropriate statistical
18 data.)) If the revaluation plan provides for physical inspection less
19 frequently than once each ((four)) year((s)), during the intervals
20 between each physical inspection of real property, the valuation of
21 such property shall be adjusted to its current true and fair value,
22 such adjustments to be made once each year and to be based upon
23 appropriate statistical data.

24 The assessor may require property owners to submit pertinent data
25 respecting taxable property in their control including data respecting
26 any sale or purchase of said property within the past five years, the
27 cost and characteristics of any improvement on the property and other
28 facts necessary for appraisal of the property.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 84.41 RCW
2 to read as follows:

3 The department of revenue may approve a revaluation plan under RCW
4 84.41.041 that provides for phased-in compliance with the annual
5 statistical update requirement. To be approved, the plan must provide
6 statistical updates for a reasonable portion of all taxable real
7 property within a county each year, with full compliance with the
8 annual statistical update requirement not later than for taxes levied
9 for collection in 1996.

10 NEW SECTION. **Sec. 4.** A new section is added to chapter 84.08 RCW
11 to read as follows:

12 (1) The department shall prepare a clear and succinct explanation
13 of the property tax system, including but not limited to:

14 (a) The standard of true and fair value as the basis of the
15 property tax.

16 (b) How the assessed value for particular parcels is determined.

17 (c) The procedures and timing of the assessment process.

18 (d) How district levy rates are determined, including the one
19 hundred six percent limit.

20 (e) How the composite tax rate is determined.

21 (f) How the amount of tax is calculated.

22 (g) How a taxpayer may appeal an assessment, and what issues are
23 appropriate as a basis of appeal.

24 (h) A summary of tax exemption and relief programs, along with the
25 eligibility standards and application processes.

26 (2) Each county assessor shall provide copies of the explanation to
27 taxpayers on request, free of charge. Each revaluation notice shall
28 include information regarding the availability of the explanation.

1 **Sec. 5.** RCW 36.21.015 and 1977 c 75 s 30 are each amended to read
2 as follows:

3 (1) Any person having the responsibility of valuing real property
4 for purposes of taxation including persons acting as assistants or
5 deputies to a county assessor under RCW 36.21.011 (~~as now or hereafter~~
6 ~~amended,~~) shall have first:

7 (~~(1)~~) ~~Graduated from an accredited high school or passed a high~~
8 ~~school equivalency examination;~~

9 ~~(2)~~) (a) Had at least one year of experience in transactions
10 involving real property, in appraisal of real property, or in
11 assessment of real property, or at least one year of experience in a
12 combination of the three;

13 (~~(3)~~) (b) Become knowledgeable in repair and remodeling of
14 buildings and improvement of land, and in the significance of locality
15 and area to the value of real property; (~~and~~

16 ~~(4)~~) (c) Become knowledgeable in the standards for appraising
17 property set forth by the department of revenue; and

18 (d) Met other minimum requirements specified by department of
19 revenue rule.

20 (2) The department of (~~personnel shall prepare with the advice of~~
21 ~~the department of~~) revenue shall prepare and administer an examination
22 on (~~the~~) subjects (~~of subsections (3) and (4), and~~) related to the
23 valuation of real property. No person shall assess real property for
24 purposes of taxation without having passed said examination or having
25 received an examination waiver from the department of revenue upon
26 showing education or experience determined by the department to be
27 equivalent to passing the examination. A person passing said
28 examination or receiving an examination waiver shall be certified
29 accordingly by the (~~director of the~~) department of (~~personnel:~~
30 ~~PROVIDED, HOWEVER, That~~) revenue.

1 (3) The department of revenue may by rule establish continuing
2 education requirements for persons assessing real property for purposes
3 of taxation. The department shall provide certification of completion
4 of requirements imposed under this section. No person shall assess
5 real property for purposes of taxation without complying with
6 requirements imposed under this subsection.

7 (4) To the extent practical, the department of revenue shall
8 coordinate certification requirements under this section with the
9 requirements for certified real estate appraisers under chapter 18.140
10 RCW.

11 (5) The examination requirements of subsection (2) of this section
12 shall not apply to any person who shall have either:

13 ~~((1))~~ (a) Been certified as a real property appraiser by the
14 department of personnel prior to May 21, 1971; or

15 ~~((2))~~ (b) Attended and satisfactorily completed the assessor's
16 school operated jointly by the department of revenue and the Washington
17 state assessors association prior to August 9, 1971.

18 NEW SECTION. Sec. 6. (1) The department of revenue shall
19 conduct a study of the administration of the property tax system. The
20 study shall include an examination of:

21 (a) The implementation of the administrative reforms required by
22 this legislation.

23 (b) The adequacy of information and tools relating to property
24 location and value, including items such as maps, property data, sales
25 data, and computer systems.

26 (c) The effectiveness of county boards of equalization.

27 (d) The effectiveness and equity of the current method of
28 equalizing the state levy.

1 (e) The adequacy of auditing procedures for property tax relief
2 programs.

3 (f) The fiscal impact of property tax reform legislation on
4 individual tax districts.

5 (2) The department shall report the findings of the study to the
6 committees of the legislature that deal with revenue matters no later
7 than November 30, 1991.

8 NEW SECTION. **Sec. 7.** This act is necessary for the immediate
9 preservation of the public peace, health, or safety, or support of the
10 state government and its existing public institutions, and shall take
11 effect immediately.