

HOUSE BILL REPORT

HB 2477

As Passed House
February 9, 1994

Title: An act relating to property taxation.

Brief Description: Modifying property tax administrative procedures.

Sponsors: Representatives Foreman, Romero, Brown, Brough, Carlson, Karahalios, Van Luven, Long, Cooke and Wood; by request of Department of Revenue.

Brief History:

Reported by House Committee on:
Revenue, January 28, 1994, DP;
Passed House, February 9, 1994, 95-0.

HOUSE COMMITTEE ON REVENUE

Majority Report: Do pass. Signed by 16 members: Representatives G. Fisher, Chair; Holm, Vice Chair; Foreman, Ranking Minority Member; Fuhrman, Assistant Ranking Minority Member; Anderson; Brown; Caver; Cothorn; Leonard; Romero; Rust; Silver; Talcott; Thibaudeau; Van Luven; and Wang.

Staff: Rick Peterson (786-7150).

Background: A nonprofit organization, association or corporation seeking a property tax exemption must file a \$35 fee with the initial application and a \$35 renewal fee every fourth year thereafter. They are also required to file an annual certification that the property is being used for an exempt purpose.

The owner or person responsible for paying property taxes on any property may petition the county board of equalization for a change in the assessed valuation placed upon the property by the assessor. This petition must be filed with the board on or before July 1 or within 30 days of the date the value change notice was mailed, whichever is later. The statute does not allow any grace period or exception of any kind.

Summary of Bill: A nonprofit organization, association or corporation receiving a property tax exemption must file a renewal declaration each year with a fee of \$8.75.

A county board of equalization may waive the filing deadline for an appeal of assessed valuation when the petitioner shows good cause for a late filing. Good cause includes death or serious illness of the taxpayer or his or her immediate family, absence of the taxpayer for more than 15 of the 30 days before the filing date, incorrect advice regarding filing requirements received from taxing officials, natural disasters, delays or losses related to the delivery of the petition by the postal service, and other circumstances as the department may provide by rule.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed. The bill is effective for taxes levied for collection in 1995 and thereafter.

Testimony For: The treasurers or bookkeepers of the exempt organizations frequently change and it is difficult for them to know which year to submit the renewal fee and which year to submit only the annual certification. It is common for the renewal fee to be paid at the wrong time. An annual fee of one-quarter of the current fee will simplify matters for both the exempt organization and the Department of Revenue. Current law is not flexible enough to allow late filing of property valuation appeals for good causes.

Testimony Against: None.

Witnesses: Will Rice, Department of Revenue.