

# HOUSE BILL REPORT

## SHB 2718

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As Passed House  
February 15, 1994

**Title:** An act relating to real estate excise tax affidavits.

**Brief Description:** Excepting utility-related real estate tax affidavits from certain verification requirements.

**Sponsors:** By House Committee on Revenue (originally sponsored by Representatives G. Fisher, Fuhrman, Foreman, Brown, Bray and Kremen).

**Brief History:**

Reported by House Committee on:  
Revenue, February 8, 1994, DPS;  
Passed House, February 15, 1994, 95-0.

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### HOUSE COMMITTEE ON REVENUE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives G. Fisher, Chair; Holm, Vice Chair; Foreman, Ranking Minority Member; Fuhrman, Assistant Ranking Minority Member; Anderson; Brown; Caver; Cothorn; Leonard; Romero; Rust; Talcott; Thibaudeau; Van Luven and Wang.

**Staff:** Bob Longman (786-7139).

**Background:** The real estate excise tax is paid when real property is sold. The tax rate is 1.28 percent of the selling price. Most local governments impose an added rate of 0.25 percent. Additional local options are available.

Both the buyer and the seller are required to sign a real estate excise tax affidavit when a taxable transaction occurs. The seller must give the affidavit and pay the tax to the county treasurer.

**Summary of Bill:** When a gas, electrical or telecommunications company acquires an easement, only the company is required to sign the real estate excise tax affidavit. The seller's signature is not required.

**Fiscal Note:** Requested January 27, 1994.

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

**Testimony For:** The affidavit filing process will be expedited by allowing the filing without the seller's signature. The utility companies solicit the easements from property owners. It takes time on the part of property owner and company to return later for the signature. The utility company pays the tax. The legislation does not affect the tax but improves efficiency.

**Testimony Against:** None.

**Witnesses:** Representative Greg Fisher; Terry Oxley, Puget Power; Howard Strong, Puget Power; and Collins Sprague, Washington Water Power.