

# HOUSE BILL REPORT

## HB 2457

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As Reported By House Committee On:  
Revenue

**Title:** An act relating to acknowledging changes in regular property tax levies.

**Brief Description:** Concerning the actions of taxing districts.

**Sponsors:** Representatives Heavey and G. Fisher.

**Brief History:**

Reported by House Committee on:  
Revenue, February 8, 1994, DP.

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### HOUSE COMMITTEE ON REVENUE

**Majority Report:** 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:** Rick Peterson (786-7150).

**Background:** Property tax levies are separated into two general categories: (1) regular levies and (2) excess levies. The general rule is that regular levies are not voted on and excess levies are voted on.

The Washington Constitution limits property taxes to 1 percent of property value. Property tax levies that fit within this constitutional limit are called regular levies, because taxing districts can impose these levies without meeting a voting requirement. The state constitution provides a voter approval method for exceeding the 1 percent limit. Levies that meet the voting requirement set out in the constitution are called excess levies because they are levied "in excess" of the constitutional limit. In 1993, regular property tax levies were about 65 percent of total property taxes.

Major levies in the regular property tax category include the state school levy; city and county general operating levies; the county road levy; fire, hospital, and library district levies; port district levies; and emergency medical

service levies. In addition, other districts are authorized to impose regular levies. These include cemetery districts, ferry districts, water districts with fire service, airport districts, flood control districts, park and recreation districts and cultural arts, stadium and convention districts. While regular levies are generally not required to meet a voting requirement, they are subject to statutory limits as to rates and amounts.

**Summary of Bill:** When the governing body of a taxing district takes action to impose regular property taxes, the action must indicate both (1) the regular property taxes the district is imposing for the next calendar year, and (2) the regular property taxes the district imposed for collection in the current calendar year.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect July 1, 1994.

**Testimony For:** Government officials from all levels should be required to list how much they collected in taxes last year and how much they plan to collect the next year. Currently they don't do that. Citizens have a right to know this information. Assessors have indicated that they have this information.

**Testimony Against:** None.

**Witnesses:** Representative Michael Heavey, prime sponsor.