

SENATE BILL REPORT

SHB 2718

AS REPORTED BY COMMITTEE ON WAYS & MEANS, FEBRUARY 24, 1994

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

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

HOUSE COMMITTEE ON REVENUE

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rinehart, Chairman; Quigley, Vice Chairman; Bauer, Gaspard, Hargrove, Hochstatter, Ludwig, McDonald, Owen, Roach, Snyder, Spanel, Sutherland, West and Williams.

Staff: Terry Wilson (786-7715)

Hearing Dates: February 23, 1994; February 24, 1994

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:

When a gas, electrical, or telecommunications company or an electrical public utility district or cooperative acquires an easement, only the company, district, or cooperative is required to sign the real estate excise tax affidavit. The seller's signature is not required.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

This will speed real estate acquisition by these companies.
It is more efficient at less cost. The savings will be passed
along to the customers.

TESTIMONY AGAINST: None

TESTIFIED: Terry Oxley, Howard Strong, Puget Power (pro)