

SENATE BILL REPORT

SB 5372

**AS REPORTED BY COMMITTEE ON GOVERNMENT OPERATIONS,
FEBRUARY 19, 1993**

Brief Description: Changing multiple tax provisions.

SPONSORS: Senators Loveland and Winsley

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: That Substitute Senate Bill No. 5372 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Loveland, Oke, Owen, and Winsley.

Staff: Rod McAulay (786-7754)

Hearing Dates: February 12, 1993; February 19, 1993

BACKGROUND:

Existing statutory provisions governing the assessment and collection of various state and local taxes contain inconsistent procedures and time frames and obsolete references to agencies and other provisions in the RCW. There is a need for general technical housekeeping legislation to reduce confusion and aid efficiency in the assessment and collection of taxes.

SUMMARY:

Delinquent gambling taxes become a lien on real and personal property in the same manner as other taxes.

Collection of joint school district levies are remitted monthly (rather than quarterly).

The requirement for counties to send the tax foreclosure notice and summons is deleted (notice already goes to city treasurer).

It is illegal to reuse or transfer a mobile home movement decal.

The assessor and the taxpayer must provide each other with copies of comparable sales evidence ten days prior to a hearing before the State Board of Tax Appeals or a board of equalization.

Taxpayers may appeal the decision of a local board of equalization directly to the State Board of Tax Appeals. The State Board of Tax Appeals and the board of equalization may

enter multi-year orders (no longer file appeals with the county auditor).

Conservation future levy is not outside of the constitutional limit (current language is ambiguous).

The senior citizen property tax exemption is available to a senior citizen who must rent their home to pay for confinement in a hospital or nursing home.

The court shall determine any penalty, up to a maximum of \$5,000, against a secured party listed on the tax rolls, for failure to provide to the assessor the name and address of the person making mortgage or contract payments to them, to enable the assessor to properly notify such person of changes in value (penalty is now determined by a formula).

Omitted improvements to real property may be added to the tax rolls even if other improvements already exist. The assessment of omitted improvements is not precluded by an intervening encumbrancer.

The county assessor may charge an owner of an irregular subdivision the actual cost of surveying and platting the property. These charges are a lien against the property and may be collected in the same manner as a property tax.

The county board of equalization shall examine and compare the returns of the assessment of the property presented in an individual appeal (rather than examine returns of the assessment of the "property of the county").

The abstract of the tax rolls shall be transmitted by the assessors to the Department of Revenue by the 18th of August next following the meeting of the county board of equalization (rather than "by the time the state board of equalization convenes").

If a county fails to provide the Department of Revenue an assessment return by December 1, the department may proceed in a manner it deems appropriate to estimate the value of each class of property in the county.

Disputed taxes are to be placed in an escrow account by the county treasurer until a decision on the dispute is rendered by the State Board of Tax Appeals or a court of competent jurisdiction.

Property taxes may be paid with a credit card if the taxpayer pays the transaction fee.

Obsolete references and terms are updated. Terminology is made gender neutral or inclusive and references to repealed statutes are corrected.

EFFECT OF PROPOSED SUBSTITUTE:

Technical corrections are made and a provision is added which permits taxing authorities to make corrections in assessments for inadvertent errors in the preceding year.

Appropriation: none

Revenue: none

Fiscal Note: available

Effective Date: The bill contains an emergency clause and Sections 17 and 18 take effect immediately.

TESTIMONY FOR:

A general cleanup of property tax administration. Deletes obsolete language and procedures. Will result in greater efficiency. Has no direct impact on taxes themselves.

TESTIMONY AGAINST: None

TESTIFIED: Mike Murphy, Thurston County Treasurer; Fred Saeger,
WACO