

**SENATE BILL REPORT**

**SB 5505**

**AS OF MARCH 9, 1993**

**Brief Description:** Paying delinquent property taxes.

**SPONSORS:** Senator Williams

**SENATE COMMITTEE ON WAYS & MEANS**

**Staff:** Terry Wilson (786-7715)

**Hearing Dates:** March 8, 1993

**BACKGROUND:**

Property taxes are due on April 30 but may be paid in two installments. If one-half of the taxes are paid on April 30, the remaining one-half is due on October 31.

Delinquent taxes are subject to interest at 12 percent per year compounded monthly. In addition, a penalty of 3 percent is assessed on the amount of tax delinquent on May 31 and a penalty of 8 percent is assessed on the amount of tax delinquent on November 30.

**SUMMARY:**

Beginning with taxes payable in 1995, real property taxes over 150 percent of taxes payable in the preceding year are not delinquent and are not subject to interest and penalties until April 30 of the next year if the taxpayer applies to the county treasurer for the benefit before April 30.

Taxes deferred under the senior citizen property tax deferral program are not subject to interest for one year to the extent they exceed 150 percent of the taxes payable in the previous year.

Neither benefit applies to taxes attributable to new construction.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**TESTIMONY FOR:**

This bill helps people whose taxes rise rapidly by giving them a year to come up with the amount of tax which exceeds a growth of 50 percent.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Senator Williams, sponsor (pro)