

SENATE BILL REPORT

SSB 6375

AS PASSED SENATE, FEBRUARY 15, 1994

Brief Description: Waiving the one hundred six percent limit for veteran's assistance county levies.

SPONSORS: Senate Committee on Ways & Means (originally sponsored by Senators Haugen, Winsley, M. Rasmussen and Oke)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6375 be substituted therefor, and the substitute bill do pass.

Signed by Senators Rinehart, Chairman; Bauer, Bluechel, Gaspard, Hargrove, Ludwig, Moyer, Owen, Pelz, Roach, L. Smith, Snyder, Spanel, Talmadge, West and Williams.

Staff: Terry Wilson (786-7715)

Hearing Dates: January 27, 1994; February 2, 1994

BACKGROUND:

All real and personal property in this state is subject to the property tax every year based on its value unless a specific exemption is provided by law.

The Constitution limits the amount of property taxes that may be imposed on an individual parcel of property without voter approval to \$10 per \$1,000 of assessed value. Taxes imposed under this limit are termed "regular" levies. The county may levy a regular property tax of between 1 1/8 cents and 27 cents per \$1,000 of assessed value for the relief of indigent veterans and the indigent wives, husbands, widows, widowers, and minor children of indigent or deceased veterans; however, the total levy of a county for this and other purposes is limited to \$1.80 per \$1,000 of assessed value.

In 1971, the Legislature imposed a statutory lid on regular property tax levy increases. Under this lid, taxes levied by a taxing district may not exceed 106 percent of the taxes levied by the district in the highest of the preceding three years. In calculating this amount, the levy in each of the previous years is assumed to be the highest levy permissible under this provision. This limit may be exceeded by majority vote.

Both the county general levy and the county levy for veterans' assistance are consolidated for the purposes of the 106 percent limit.

SUMMARY:

The county veterans' assistance levy is exempt from the 106 percent limit.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

Island County has not levied this tax for a few years and now must take it out of its current expense fund. This is used to help veterans pay basic expenses. Washington's veteran population is one of the fastest growing in the nation. Assistance is needed. Only small levies are anticipated.

TESTIMONY AGAINST: None

TESTIFIED: Senator Haugen, sponsor (pro); Duane Colby, Island County Commissioners (pro); Fred Saeger, WA Association of County Officials (pro); Tri Howard, WA Dept. of Veterans' Affairs (pro); Glenn Gollbreath, NW Paralyzed Veteran (pro)