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ENGROSSED HOUSE BILL 1481

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State of Washington

53rd Legislature

1993 Regular Session

By Representatives G. Fisher, Foreman, Wang and Quall; by request of Department of Revenue

Read first time 01/29/93. Referred to Committee on Revenue.

1 AN ACT Relating to taxation of ships and vessels; amending RCW  
2 82.49.060, 84.40.065, 84.40.150, 84.40.190, and 84.40.200; adding a new  
3 section to chapter 84.56 RCW; making an appropriation; prescribing  
4 penalties; and providing an effective date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 82.49.060 and 1983 c 7 s 13 are each amended to read  
7 as follows:

8 (1) Any vessel owner disputing an appraised value under RCW  
9 82.49.050 or disputing whether the vessel is taxable, may petition for  
10 a conference with the department as provided under RCW 82.32.160, or  
11 for reduction of the tax due as provided under RCW 82.32.170.

12 (2) Any vessel owner having received a notice of denial of a  
13 petition or a notice of determination made for the owner's vessel under  
14 RCW 82.32.160 or 82.32.170 may appeal to the board of tax appeals as  
15 provided under RCW 82.03.190. In deciding a case appealed under this  
16 section, the board of tax appeals may require an independent appraisal  
17 of the vessel. The cost of the independent appraisal shall be  
18 apportioned between the department and the vessel owner as provided by  
19 the board.

1       **Sec. 2.** RCW 84.40.065 and 1986 c 229 s 3 are each amended to read  
2 as follows:

3       (1) Every individual, corporation, association, partnership, trust,  
4 and estate shall list with the department of revenue all ships and  
5 vessels which are subject to their ownership, possession, or control  
6 and which are not entirely exempt from property taxation, and such  
7 listing shall be subject to the same requirements(~~(7)~~) and penalties(~~(7~~  
8 and liens)) provided in this chapter (~~(and chapter 84.60 RCW)~~) for all  
9 other personal property in the same manner as provided (~~(therein)~~) in  
10 this chapter, except as may be specifically provided otherwise with  
11 respect to ships and vessels.

12       (2) The listing of ships and vessels shall be accomplished in the  
13 manner and upon forms prescribed by the department. Upon listing, the  
14 department shall assign a tax identification number for each vessel  
15 listed.

16       (3) ~~The department shall assess all ships and vessels and shall~~  
17 ~~((certify to the respective county assessors the equalized values~~  
18 ~~thereof, subject to the same rules as other state assessed properties~~  
19 ~~in accordance with RCW 84.12.370 and 84.16.130 and chapter 84.48 RCW)),~~  
20 on or before January 31st of each year, mail to the owner of a ship or  
21 vessel, or to the person listing the ship or vessel if different from  
22 the owner, a notice showing the valuation of the ship or vessel  
23 assessed. Taxes due the following year shall be based upon the  
24 valuation. On or after February 15, but no later than thirty days  
25 before April 30, the department shall mail to the owner of a ship or  
26 vessel, or to the person listing the ship or vessel if different from  
27 the owner, a tax statement showing the valuation for the previous year  
28 of the ship or vessel assessed and the amount of tax owed for the  
29 current year.

30       (~~(+3))~~ (4) Any ship or vessel owner, or person listing the ship or  
31 vessel if different from the owner, disputing the assessment or  
32 disputing whether the ship or vessel is subject to taxation under this  
33 section shall have the same rights of review as any other ship or  
34 vessel owner subject to the excise tax contained in chapter 82.49 RCW  
35 in accordance with RCW 82.49.060.

36       **Sec. 3.** RCW 84.40.150 and 1961 c 15 s 84.40.150 are each amended  
37 to read as follows:

1 If any person required to list property for taxation and provide  
2 the assessor with the list, is prevented by sickness or absence from  
3 giving to the assessor such statement, such person or his or her agent  
4 having charge of such property, may, at any time before the close of  
5 the session of the board of equalization, make out and deliver to said  
6 board a statement of the same as required by this title, and the board  
7 shall, in such case, make an entry thereof, and correct the  
8 corresponding item or items in the return made by the assessor, as the  
9 case may require; but no such statement shall be received by the said  
10 board from any person who refused or neglected to make oath to his or  
11 her statement when required by the assessor as provided herein; nor  
12 from any person unless he or she makes and files with the said board an  
13 affidavit that he or she was absent from his or her county, without  
14 design to avoid the listing of his or her property, or was prevented by  
15 sickness from giving the assessor the required statement when called on  
16 for that purpose.

17 **Sec. 4.** RCW 84.40.190 and 1967 ex.s. c 149 s 39 are each amended  
18 to read as follows:

19 Every person required by this title to list property shall make out  
20 and deliver to the assessor, or to the department as required by RCW  
21 84.40.065, either in person or by mail, a statement, verified under  
22 penalty of perjury, of all the personal property in his or her  
23 possession or under his or her control, and which, by the provisions of  
24 this title, he or she is required to list for taxation, either as owner  
25 or holder thereof. Each list, schedule or statement required by this  
26 chapter shall be signed by the individual if the person required to  
27 make the same is an individual; by the president, vice-president,  
28 treasurer, assistant treasurer, chief accounting officer or any other  
29 officer duly authorized to so act if the person required to make the  
30 same is a corporation; by a responsible and duly authorized member or  
31 officer having knowledge of its affairs, if the person required to make  
32 the same is a partnership or other unincorporated organization; or by  
33 the fiduciary, if the person required to make the same is a trust or  
34 estate. The list, schedule, or statement may be made and signed for  
35 the person required to make the same by an agent who is duly authorized  
36 to do so by a power of attorney filed with and approved by the  
37 assessor. When any list, schedule, or statement is made and signed by  
38 such agent, the principal required to make out and deliver the same

1 shall be responsible for the contents and the filing thereof and shall  
2 be liable for the penalties imposed pursuant to RCW 84.40.130. No  
3 person shall be required to list for taxation in his statement to the  
4 assessor any share or portion of the capital stock, or of any of the  
5 property of any company, association or corporation, which such person  
6 may hold in whole or in part, where such company, being required so to  
7 do, has listed for assessment and taxation its capital stock and  
8 property with the department of revenue, or as otherwise required by  
9 law.

10 **Sec. 5.** RCW 84.40.200 and 1987 c 319 s 3 are each amended to read  
11 as follows:

12 (1) In all cases of failure to obtain a statement of personal  
13 property, from any cause, it shall be the duty of the assessor to  
14 ascertain the amount and value of such property and assess the same at  
15 such amount as he or she believes to be the true value thereof.

16 (2) The assessor, in all cases of the assessment of personal  
17 property, shall deliver or mail to the person assessed, or to the  
18 person listing the property, a copy of the statement of property  
19 hereinbefore required, showing the valuation of the property so listed.

20 (3) This section does not apply to the listing required under RCW  
21 84.40.065.

22 NEW SECTION. **Sec. 6.** A new section is added to chapter 84.56 RCW  
23 to read as follows:

24 (1) The department of revenue shall collect all ad valorem taxes  
25 upon ships and vessels listed with the department in accordance with  
26 RCW 84.40.065 and all applicable interest and penalties.

27 The taxes shall be due and payable to the department on or before  
28 the thirtieth day of April and shall be delinquent after that date.

29 (2) If payment of the tax is not received by the department by the  
30 due date, there shall be imposed a penalty of five percent of the  
31 amount of the tax; and if the tax is not received within thirty days  
32 after the due date, there shall be imposed a total penalty of ten  
33 percent of the amount of the tax; and if the tax is not received within  
34 sixty days after the due date, there shall be imposed a total penalty  
35 of twenty percent of the amount of the tax. No penalty so added shall  
36 be less than five dollars.

1 (3) Delinquent taxes under this section are subject to interest at  
2 the rate set forth in RCW 82.32.050 from the date of delinquency until  
3 paid. Interest or penalties collected on delinquent taxes under this  
4 section shall be paid by the department into the general fund of the  
5 state treasury.

6 (4) If upon information obtained by the department it appears that  
7 any ship or vessel required to be listed according to the provisions of  
8 RCW 84.40.065 is not so listed, the department shall value the ship or  
9 vessel and assess against the owner of the vessel the taxes found to be  
10 due and shall add thereto interest at the rate set forth in RCW  
11 82.32.050 from the original due date of the tax until the date of  
12 payment. The department shall notify the vessel owner by mail of the  
13 amount and the same shall become due and shall be paid by the vessel  
14 owner within thirty days of the date of the notice. If payment is not  
15 received by the department by the due date specified in the notice, the  
16 department shall add a penalty of ten percent of the tax found due. A  
17 person who willfully gives a false listing or willfully fails to list  
18 a ship or vessel as required by RCW 84.40.065 shall be subject to the  
19 penalty imposed by RCW 84.40.130(2), which shall be assessed and  
20 collected by the department.

21 (5) Delinquent taxes under this section, along with all penalties  
22 and interest thereon, shall be collected by the department according to  
23 the procedures set forth in chapter 82.32 RCW for the filing and  
24 execution of tax warrants, including the imposition of warrant  
25 interest. In the event a warrant is issued by the department for the  
26 collection of taxes under this section, the department shall add a  
27 penalty of five percent of the amount of the delinquent tax, but not  
28 less than ten dollars.

29 (6) The department shall also collect all delinquent taxes  
30 pertaining to ships and vessels appearing on the records of the county  
31 treasurers for each of the counties of this state as of December 31,  
32 1993, including any applicable interest or penalties. The provisions  
33 of subsection (5) of this section shall apply to the collection of such  
34 delinquent taxes.

35 NEW SECTION. **Sec. 7.** The sum of one hundred thirty-seven thousand  
36 dollars, or as much thereof as may be necessary, is appropriated for  
37 the biennium ending June 30, 1995, from the general fund to the  
38 department of revenue for the purposes of this act.

1      NEW SECTION.    **Sec. 8.**    This act shall take effect January 1, 1994.

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