
HOUSE BILL 2479

State of Washington

53rd Legislature

1994 Regular Session

By Representatives G. Fisher, Foreman, Karahalios and Springer; by request of Department of Revenue

Read first time 01/17/94. Referred to Committee on Revenue.

1 AN ACT Relating to general technical corrections of excise and
2 property tax statutes; amending RCW 36.21.011, 82.04.270, 82.04.4282,
3 82.08.026, 82.12.022, 82.12.023, 82.16.050, 84.12.200, 84.12.340,
4 84.16.100, 84.36.020, 84.36.264, 84.36.800, 84.36.810, 84.40.030,
5 84.40.080, 84.40.085, 84.40.170, 84.40.175, 84.40.230, 84.48.022,
6 84.48.026, 84.48.028, 84.48.032, 84.48.036, 84.48.050, 84.48.110,
7 84.48.120, 84.48.130, 84.48.140, 84.52.010, 84.52.018, 84.52.030,
8 84.60.050, 84.68.020, and 84.68.090; adding a new section to chapter
9 82.12 RCW; and repealing RCW 84.24.010, 84.24.020, 84.24.030,
10 84.24.040, 84.24.050, 84.24.060, and 84.24.070.

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

12 **Sec. 1.** RCW 36.21.011 and 1973 1st ex.s. c 11 s 1 are each amended
13 to read as follows:

14 Any assessor who deems it necessary in order to (~~enable him to~~)
15 complete the listing and the valuation of the property of (~~his~~) the
16 county within the time prescribed by law, (1) may appoint one or more
17 well qualified persons to act as (~~his~~) assistants or deputies who
18 shall not engage in the private practice of appraising within the
19 county in which he or she is employed without the written permission of

1 the ((county)) assessor filed with the ((county)) auditor; and each
2 such assistant or deputy so appointed shall, under the direction of the
3 assessor, after taking the required oath, perform all the duties
4 enjoined upon, vested in or imposed upon assessors, and (2) may
5 contract with any persons, firms or corporations, who are expert
6 appraisers, to assist in the valuation of property.

7 To assist each assessor in obtaining adequate and well qualified
8 assistants or deputies, the state department of personnel, after
9 consultation with the Washington state association of county assessors,
10 the Washington state association of counties, and the department of
11 revenue, shall establish by July 1, 1967, and shall thereafter
12 maintain, a classification and salary plan for those employees of an
13 assessor who act as appraisers. The plan shall recommend the salary
14 range and employment qualifications for each position encompassed by
15 it, and shall, to the fullest extent practicable, conform to the
16 classification plan, salary schedules and employment qualifications for
17 state employees performing similar appraisal functions.

18 If an assessor intends to put such plan into effect in ((his)) the
19 county, ((he)) the assessor shall inform the department of revenue and
20 the ((~~board of county commissioners~~)) county legislative authority of
21 this intent in writing. The department of revenue and the ((~~board~~))
22 county legislative authority may thereupon each designate a
23 representative, and such representative or representatives as may be
24 designated by the department of revenue or the ((~~board~~)) county
25 legislative authority, or both, shall form with the assessor a
26 committee. The committee so formed may, by unanimous vote only,
27 determine the required number of certified appraiser positions and
28 their salaries necessary to enable the ((county)) assessor to carry out
29 the requirements relating to revaluation of property in chapter 84.41
30 RCW. The determination of the committee shall be certified to the
31 ((~~board of county commissioners~~)) county legislative authority. The
32 committee ((~~provided for herein~~)) may be formed only once in a period
33 of four calendar years.

34 After such determination, the assessor may provide, in each of
35 ((his)) the four next succeeding annual budget estimates, for as many
36 positions as are established in such determination. Each ((~~board of~~
37 ~~county commissioners~~)) county legislative authority to which such a
38 budget estimate is submitted shall allow sufficient funds for such
39 positions. An employee may be appointed to a position covered by the

1 plan only if the employee meets the employment qualifications
2 established by the plan.

3 **Sec. 2.** RCW 82.04.270 and 1993 sp.s. c 25 s 105 are each amended
4 to read as follows:

5 (1) Upon every person except persons taxable under subsections (1)
6 or (8) of RCW 82.04.260 engaging within this state in the business of
7 making sales at wholesale; as to such persons the amount of tax with
8 respect to such business shall be equal to the gross proceeds of sales
9 of such business multiplied by the rate of 0.484 percent.

10 (2) The tax imposed by this section is levied and shall be
11 collected from every person engaged in the business of distributing in
12 this state articles of tangible personal property, owned by them from
13 their own warehouse or other central location in this state to two or
14 more of their own retail stores or outlets, where no change of title or
15 ownership occurs, the intent hereof being to impose a tax equal to the
16 wholesaler's tax upon persons performing functions essentially
17 comparable to those of a wholesaler, but not actually making sales(~~(:~~
18 ~~PROVIDED, That~~)). The tax designated in this section may not be
19 assessed twice to the same person for the same article. The amount of
20 the tax as to such persons shall be computed by multiplying 0.484
21 percent of the value of the article so distributed as of the time of
22 such distribution((: ~~PROVIDED, That persons engaged in the activities~~
23 ~~described in this subsection shall not be liable for the tax imposed if~~
24 ~~by proper invoice it can be shown that they have purchased such~~
25 ~~property from a wholesaler who has paid a business and occupation tax~~
26 ~~to the state upon the same articles. This proviso shall not apply to~~
27 ~~purchases from manufacturers as defined in RCW 82.04.110)).~~ The
28 department of revenue shall prescribe uniform and equitable rules for
29 the purpose of ascertaining such value, which value shall correspond as
30 nearly as possible to the gross proceeds from sales at wholesale in
31 this state of similar articles of like quality and character, and in
32 similar quantities by other taxpayers(~~(:~~ ~~PROVIDED FURTHER, That~~)).
33 Delivery trucks or vans will not under the purposes of this section be
34 considered to be retail stores or outlets.

35 **Sec. 3.** RCW 82.04.4282 and 1989 c 392 s 1 are each amended to read
36 as follows:

1 In computing tax there may be deducted from the measure of tax
2 amounts derived from ~~((1))~~ bona fide (1) initiation fees, (2) dues,
3 (3) contributions, (4) donations, (5) tuition fees, (6) charges made by
4 a nonprofit trade or professional organization for attending or
5 occupying space at a trade show, convention, or educational seminar
6 sponsored by the nonprofit trade or professional organization, which
7 trade show, convention, or educational seminar is not open to the
8 general public, (7) charges made for operation of privately operated
9 kindergartens, and (8) endowment funds. This ~~((paragraph))~~ section
10 shall not be construed to exempt any person, association, or society
11 from tax liability upon selling tangible personal property or upon
12 providing facilities or services for which a special charge is made to
13 members or others. If dues are in exchange for any significant amount
14 of goods or services rendered by the recipient thereof to members
15 without any additional charge to the member, or if the dues are
16 graduated upon the amount of goods or services rendered, the value of
17 such goods or services shall not be considered as a deduction
18 ~~((hereunder))~~ under this section.

19 **Sec. 4.** RCW 82.08.026 and 1989 c 384 s 4 are each amended to read
20 as follows:

21 The tax levied by RCW 82.08.020 shall not apply to sales of natural
22 or manufactured gas that is taxable under RCW 82.12.022.

23 **Sec. 5.** RCW 82.12.022 and 1989 c 384 s 3 are each amended to read
24 as follows:

25 (1) There is hereby levied and there shall be collected from every
26 person in this state a use tax for the privilege of using natural gas
27 or manufactured gas within this state as a consumer.

28 (2) The tax shall be levied and collected in an amount equal to the
29 value of the article used by the taxpayer multiplied by the rate in
30 effect for the public utility tax on gas distribution businesses under
31 RCW 82.16.020~~((1)(b))~~. The "value of the article used" does not
32 include any amounts that are paid for the hire or use of a gas
33 distribution business as defined in RCW 82.16.010(7) in transporting
34 the gas subject to tax under this subsection if those amounts are
35 subject to tax under that chapter.

1 (3) The tax levied in this section shall not apply to the use of
2 natural or manufactured gas delivered to the consumer by other means
3 than through a pipeline.

4 (4) The tax levied in this section shall not apply to the use of
5 natural or manufactured gas if the person who sold the gas to the
6 consumer has paid a tax under RCW 82.16.020(~~((1)(b))~~) with respect to
7 the gas for which exemption is sought under this subsection.

8 (~~((4))~~) (5) There shall be a credit against the tax levied under
9 this section in an amount equal to any tax paid by:

10 (a) The person who sold the gas to the consumer when that tax is a
11 gross receipts tax similar to that imposed pursuant to RCW
12 82.16.020(~~((1)(b))~~) by another state with respect to the gas for which
13 a credit is sought under this subsection; or

14 (b) The person consuming the gas upon which a use tax similar to
15 the tax imposed by this section was paid to another state with respect
16 to the gas for which a credit is sought under this subsection.

17 (~~((5))~~) (6) The use tax hereby imposed shall be paid by the
18 consumer to the department.

19 (~~((6))~~) (7) There is imposed a reporting requirement on the person
20 who delivered the gas to the consumer to make a quarterly report to the
21 department. Such report shall contain the volume of gas delivered,
22 name of the consumer to whom delivered, and such other information as
23 the department shall require by rule.

24 (~~((7))~~) (8) The department may adopt rules under chapter 34.05 RCW
25 for the administration and enforcement of sections 1 through 6, chapter
26 384, Laws of 1989.

27 **Sec. 6.** RCW 82.12.023 and 1989 c 384 s 5 are each amended to read
28 as follows:

29 The tax levied by RCW 82.12.020 shall not apply in respect to the
30 use of natural or manufactured gas that is taxable under RCW 82.12.022.

31 NEW SECTION. **Sec. 7.** A new section is added to chapter 82.12 RCW
32 to read as follows:

33 The tax imposed by RCW 82.12.020 shall not apply in respect to the
34 use of newspapers.

35 **Sec. 8.** RCW 82.16.050 and 1989 c 302 s 103 are each amended to
36 read as follows:

1 In computing tax there may be deducted from the gross income the
2 following items:

3 (1) Amounts derived by municipally owned or operated public service
4 businesses, directly from taxes levied for the support or maintenance
5 thereof: PROVIDED, That this section shall not be construed to exempt
6 service charges which are spread on the property tax rolls and
7 collected as taxes;

8 (2) Amounts derived from the sale of commodities to persons in the
9 same public service business as the seller, for resale as such within
10 this state. This deduction is allowed only with respect to water
11 distribution, light and power, gas distribution or other public service
12 businesses which furnish water, electrical energy, gas or any other
13 commodity in the performance of public service businesses;

14 (3) Amounts actually paid by a taxpayer to another person taxable
15 under this chapter as the latter's portion of the consideration due for
16 services furnished jointly by both, if the total amount has been
17 credited to and appears in the gross income reported for tax by the
18 former;

19 (4) The amount of cash discount actually taken by the purchaser or
20 customer;

21 (5) The amount of credit losses actually sustained by taxpayers
22 whose regular books of accounts are kept upon an accrual basis;

23 (6) Amounts derived from business which the state is prohibited
24 from taxing under the Constitution of this state or the Constitution or
25 laws of the United States;

26 (7) Amounts derived from the distribution of water through an
27 irrigation system, for irrigation purposes;

28 (8) Amounts derived from the transportation of commodities from
29 points of origin in this state to final destination outside this state,
30 or from points of origin outside this state to final destination in
31 this state, with respect to which the carrier grants to the shipper the
32 privilege of stopping the shipment in transit at some point in this
33 state for the purpose of storing, manufacturing, milling, or other
34 processing, and thereafter forwards the same commodity, or its
35 equivalent, in the same or converted form, under a through freight rate
36 from point of origin to final destination; and amounts derived from the
37 transportation of commodities from points of origin in the state to an
38 export elevator, wharf, dock or ship side on tidewater or navigable
39 tributaries thereto from which such commodities are forwarded, without

1 intervening transportation, by vessel, in their original form, to
2 interstate or foreign destinations: PROVIDED, That no deduction will
3 be allowed when the point of origin and the point of delivery to such
4 an export elevator, wharf, dock, or ship side are located within the
5 corporate limits of the same city or town;

6 (9) Amounts derived from the production, sale, or transfer of
7 electrical energy for resale or consumption outside the state (~~(if the~~
8 ~~production or generation of such energy is subject to tax under the~~
9 ~~manufacturing classification of chapter 82.04 RCW: PROVIDED, That the~~
10 ~~exemption set forth in RCW 82.04.310 shall not be applicable to the~~
11 ~~generation or production of the electrical energy so produced, sold, or~~
12 ~~transferred: AND PROVIDED FURTHER, That no credit has been claimed as~~
13 ~~an offset to taxes imposed under RCW 82.04.240));~~

14 (10) Amounts derived from the distribution of water by a nonprofit
15 water association and used for capital improvements by that nonprofit
16 water association;

17 (11) Amounts paid by a sewerage collection business taxable under
18 RCW 82.16.020(1)(a) to a person taxable under chapter 82.04 RCW for the
19 treatment or disposal of sewage.

20 **Sec. 9.** RCW 84.12.200 and 1987 c 153 s 1 are each amended to read
21 as follows:

22 For the purposes of this chapter and unless otherwise required by
23 the context:

24 (1) "Department" without other designation means the department of
25 revenue of the state of Washington.

26 (2) "Railroad company" (~~(shall)~~) means and includes any person
27 owning or operating a railroad, street railway, suburban railroad or
28 interurban railroad in this state, whether its line of railroad be
29 maintained at the surface, or above or below the surface of the earth,
30 or by whatever power its vehicles are transported; or owning any
31 station, depot, terminal or bridge for railroad purposes, as owner,
32 lessee or otherwise.

33 (3) "Airplane company" (~~(shall)~~) means and includes any person
34 owning, controlling, operating or managing real or personal property,
35 used or to be used for or in connection with or to facilitate the
36 conveyance and transportation of persons and/or property by aircraft,
37 and engaged in the business of transporting persons and/or property for
38 compensation, as owner, lessee or otherwise.

1 (4) "Electric light and power company" (~~shall~~) means and includes
2 any person owning, controlling, operating or managing real or personal
3 property, used or to be used for or in connection with or to facilitate
4 the generation, transmission or distribution of electricity in this
5 state, and engaged in the business of furnishing, transmitting,
6 distributing or generating electrical energy for light, heat or power
7 for compensation as owner, lessee or otherwise.

8 (5) "Telegraph company" (~~shall~~) means and includes any person
9 owning, controlling, operating or managing any telegraph or cable line
10 in this state, with appliances for the transmission of messages, and
11 engaged in the business of furnishing telegraph service for
12 compensation, as owner, lessee or otherwise.

13 (6) "Telephone company" (~~shall~~) means and includes any person
14 owning, controlling, operating or managing real or personal property,
15 used or to be used for or in connection with or to facilitate the
16 transmission of communication by telephone in this state-owned or
17 controlled exchanges and/or switchboards, and engaged in the business
18 of furnishing telephonic communication for compensation as owner,
19 lessee or otherwise.

20 (7) "Gas company" (~~shall~~) means and includes any person owning,
21 controlling, operating or managing real or personal property, used or
22 to be used for or in connection with or to facilitate the manufacture,
23 transportation, or distribution of natural or manufactured gas in this
24 state, and engaged for compensation in the business of furnishing gas
25 for light, heat, power or other use, as owner, lessee or otherwise.

26 (8) "Pipe line company" (~~shall~~) means and includes any person
27 owning, controlling, operating or managing real or personal property,
28 used or to be used for or in connection with or to facilitate the
29 conveyance or transportation of oils, natural or manufactured gas
30 and/or other substances, except water, by pipe line in this state, and
31 engaged in such business for compensation, as owner, lessee or
32 otherwise.

33 (~~(9) ("Water company" shall mean and include any person owning,~~
34 ~~controlling, operating or managing real or personal property, used or~~
35 ~~to be used for or in connection with or to facilitate the supply,~~
36 ~~storage, distribution, diversion or carriage of water in this state,~~
37 ~~and engaged in the business of furnishing water for power, irrigation,~~
38 ~~manufacturing, domestic or other uses for compensation, as owner,~~
39 ~~lessee or otherwise.~~

1 ~~(10) "Heating company" shall mean and include any person owning,~~
2 ~~controlling, operating or managing real or personal property, used or~~
3 ~~to be used for or in connection with or to facilitate the generation~~
4 ~~and/or distribution of steam or hot water for heat, power,~~
5 ~~manufacturing or other purposes in this state, and engaged principally~~
6 ~~in business of furnishing, distributing, supplying or generating steam~~
7 ~~or hot water for heat, power, manufacturing or other purposes for~~
8 ~~compensation, as owner, lessee or otherwise.~~

9 ~~(11) "Toll bridge company" shall mean and include any person~~
10 ~~owning, controlling, operating, or managing real or personal property,~~
11 ~~used for or in connection with or to facilitate the conveyance or~~
12 ~~transportation of persons and/or property over a bridge or bridge~~
13 ~~approach over any stream, river or body of water within, or partly~~
14 ~~within this state, and operated as a toll bridge for compensation, as~~
15 ~~owner, lessee, or otherwise.~~

16 ~~(12))~~ "Steamboat company" ~~((shall))~~ means and includes any person
17 owning, controlling, operating or managing real or personal property,
18 used or to be used for or in connection with or to facilitate the
19 conveyance and transportation of persons and/or property by vessel or
20 ferry, upon the waters within this state, including the rivers and
21 lakes and Puget Sound, between fixed termini or over a regular route,
22 and engaged in the business of transporting persons and/or property for
23 compensation as owner, lessee or otherwise.

24 ~~((13))~~ (10) "Logging railroad company" ~~((shall))~~ means and
25 includes any person owning, controlling, operating or managing real or
26 personal property, used or to be used for or in connection with or to
27 facilitate the conveyance and transportation of forest products by rail
28 in this state, and engaged in the business of transporting forest
29 products either as private carrier or carrier for hire.

30 ~~((14))~~ (11) "Person" ~~((shall))~~ means and includes any individual,
31 firm, copartnership, joint venture, association, corporation, trust, or
32 any other group acting as a unit, whether mutual, cooperative or
33 otherwise, and/or trustees or receivers appointed by any court.

34 ~~((15))~~ (12) "Company" ~~((shall))~~ means and includes any railroad
35 company, motor vehicle transportation company, airplane company,
36 electric light and power company, telegraph company, telephone company,
37 gas company, pipe line company, ~~((water company, heating company, toll~~
38 ~~bridge company,))~~ steamboat company, or logging railroad company; and

1 the term "companies" (~~shall~~) means and includes all of such
2 companies.

3 (~~(16)~~) (13) "Operating property" (~~shall~~) means and includes all
4 property, real and personal, owned by any company, or held by it as
5 occupant, lessee or otherwise, including all franchises and lands,
6 buildings, rights-of-way, water powers, motor vehicles, wagons, horses,
7 aircraft, aerodromes, hangars, office furniture, water mains, gas
8 mains, pipe lines, pumping stations, tanks, tank farms, holders,
9 reservoirs, telephone lines, telegraph lines, transmission and
10 distribution lines, dams, generating plants, poles, wires, cables,
11 conduits, switch boards, devices, appliances, instruments, equipment,
12 machinery, vessels, ferries, landing slips, docks, roadbeds, tracks,
13 terminals, rolling stock equipment, appurtenances and all other
14 property of a like or different kind, situate within the state of
15 Washington, used by the company in the conduct of its operations; and,
16 in case of personal property used partly within and partly without the
17 state, it (~~shall~~) means and includes a proportion of such personal
18 property to be determined as in this chapter provided.

19 (~~(17)~~) (14) "Nonoperating property" (~~shall~~) means all physical
20 property owned by any company, other than that used during the
21 preceding calendar year in the conduct of its operations. It (~~shall~~)
22 includes all lands and/or buildings wholly used by any person other
23 than the owning company. In cases where lands and/or buildings are
24 used partially by the owning company in the conduct of its operations
25 and partially by any other person not assessable under this chapter
26 under lease, sublease, or other form of tenancy, the operating and
27 nonoperating property of the company whose property is assessed
28 hereunder shall be determined by the department of revenue in such
29 manner as will, in its judgment, secure the separate valuation of such
30 operating and nonoperating property upon a fair and equitable basis.
31 The amount of operating revenue received from tenants or occupants of
32 property of the owning company shall not be considered material in
33 determining the classification of such property.

34 **Sec. 10.** RCW 84.12.340 and 1975 1st ex.s. c 278 s 169 are each
35 amended to read as follows:

36 (~~At any time between the tenth and twenty fifth days of July,~~
37 ~~inclusive, following the making of the assessment, every company shall~~
38 ~~be entitled on its own motion, presented to the department of revenue~~

1 ~~before the tenth day of July, to a hearing and to present evidence~~
2 ~~before the department of revenue,))~~ Following the making of an
3 assessment, every company may present a motion for a hearing on the
4 assessment with the department of revenue within the first ten working
5 days of July. The hearing on this motion shall be held within ten
6 working days following the hearing request period. During this
7 hearing, the company may present evidence relating to the value of its
8 operating property and to the value of other taxable property in the
9 counties in which its operating property is situate. Upon request in
10 writing for such hearing, the department shall appoint a time and
11 place therefor, within the period aforesaid, the hearing to be
12 conducted in such manner as the department shall direct. Hearings
13 provided for in this section may be held at such times and in such
14 places throughout the state as the department may deem proper or
15 necessary, may be adjourned from time to time and from place to place
16 and may be conducted by the department of revenue or by such member or
17 members thereof as may be duly delegated to act for it. Testimony
18 taken ((before less than the entire department of revenue)) at this
19 hearing shall be ((reported and a transcript thereof filed with the
20 department of revenue prior to its decision)) recorded.

21 **Sec. 11.** RCW 84.16.100 and 1975 1st ex.s. c 278 s 182 are each
22 amended to read as follows:

23 Every company assessed under the provisions of this chapter shall
24 be entitled on its own motion to a hearing and to present evidence
25 before the department of revenue, ~~((at any time between the twentieth~~
26 ~~day of July and the fifteenth day of August))~~ within the ten working
27 days following the hearing request period, relating to the value of the
28 operating property of such company and to the value of the other
29 taxable property in the counties in which the operating property of
30 such company is situate. Upon request in writing for such hearing,
31 which must be presented to the department of revenue ~~((on or before the~~
32 ~~twentieth day))~~ within the first ten working days of July following the
33 making of the assessment, the department shall appoint a time and place
34 therefor, within the respective periods aforesaid, the hearing to be
35 conducted in such manner as the department shall direct. Hearings
36 provided for in this section may be held at such times and in such
37 places throughout the state as the department may deem proper or

1 necessary and may be adjourned from time to time and from place to
2 place.

3 **Sec. 12.** RCW 84.36.020 and 1975 1st ex.s. c 291 s 12 are each
4 amended to read as follows:

5 The following real and personal property shall be exempt from
6 taxation:

7 All lands, ~~((and))~~ buildings, and personal property required for
8 necessary administration and maintenance, used, or to the extent used,
9 exclusively for public burying grounds or cemeteries without
10 discrimination as to race, color, national origin or ancestry;

11 All churches, personal property, and the ground, not exceeding five
12 acres in area, upon which a church of any nonprofit recognized
13 religious denomination is or shall be built, together with a parsonage,
14 convent, and buildings and improvements required for the maintenance
15 and safeguarding of such property. The area exempted shall in any case
16 include all ground covered by the church, parsonage, convent, and
17 buildings and improvements required for the maintenance and
18 safeguarding of such property and the structures and ground necessary
19 for street access, parking, light, and ventilation, but the area of
20 unoccupied ground exempted in such cases, in connection with church,
21 parsonage, convent, and buildings and improvements required for the
22 maintenance and safeguarding of such property, shall not exceed the
23 equivalent of one hundred twenty by one hundred twenty feet except
24 where additional unoccupied land may be required to conform with state
25 or local codes, zoning, or licensing requirements. The parsonage and
26 convent need not be on land contiguous to the church property. To be
27 exempt the property must be wholly used for church purposes: PROVIDED,
28 That the loan or rental of property otherwise exempt under this
29 paragraph to a nonprofit organization, association, or corporation, or
30 school for use for an eleemosynary activity shall not nullify the
31 exemption provided in this paragraph if the rental income, if any, is
32 reasonable and is devoted solely to the operation and maintenance of
33 the property.

34 **Sec. 13.** RCW 84.36.264 and 1973 c 112 s 3 are each amended to read
35 as follows:

36 Owners of property desiring tax exempt status pursuant to the
37 provisions of RCW 84.36.260(~~(, as now or hereafter amended,)~~) shall

1 make an application (~~((therefor with the assessor of the county wherein~~
2 ~~such property is located))~~ for the exemption with the department.
3 (~~((Prior to approval the assessor shall forward a copy of the initial~~
4 ~~application to the department of revenue and a copy of the option))~~ If
5 such property qualifies pursuant to RCW 84.36.260(2), (~~((as now or~~
6 ~~hereafter amended))~~ a copy of the option shall also be submitted to the
7 department. Such option shall clearly state the purchase price
8 pursuant to the option or the appraisal value as determined by the
9 department of revenue.

10 **Sec. 14.** RCW 84.36.800 and 1993 c 79 s 2 are each amended to read
11 as follows:

12 As used in RCW 84.36.020, 84.36.030, 84.36.550, 84.36.037,
13 84.36.040, 84.36.041, 84.36.050, 84.36.060, and 84.36.800 through
14 84.36.865:

15 (1) "Church purposes" means the use of real and personal property
16 owned by a nonprofit religious organization for religious worship or
17 related administrative, educational, eleemosynary, and social
18 activities. This definition is to be broadly construed;

19 (2) "Convent" means a house or set of buildings occupied by a
20 community of (~~((clergymen))~~) clergy or nuns devoted to religious life
21 under a superior;

22 (3) "Hospital" means any portion of a hospital building, or other
23 buildings in connection therewith, used as a residence for persons
24 engaged or employed in the operation of a hospital, or operated as a
25 portion of the hospital unit;

26 (4) "Nonprofit" means an organization, association or corporation
27 no part of the income of which is paid directly or indirectly to its
28 members, stockholders, officers, directors or trustees except in the
29 form of services rendered by the organization, association, or
30 corporation in accordance with its purposes and bylaws and the salary
31 or compensation paid to officers of such organization, association or
32 corporation is for actual services rendered and compares to the salary
33 or compensation of like positions within the public services of the
34 state;

35 (5) "Parsonage" means a residence occupied by a (~~((clergyman who~~
36 ~~is))~~) member of the clergy who has been designated for a particular
37 congregation and who holds regular services therefor.

1 **Sec. 15.** RCW 84.36.810 and 1993 c 79 s 4 are each amended to read
2 as follows:

3 (1) Upon cessation of a use under which an exemption has been
4 granted pursuant to RCW 84.36.030, 84.36.550, 84.36.037, 84.36.040,
5 84.36.041, 84.36.043, 84.36.050, and 84.36.060, the county treasurer
6 shall collect all taxes which would have been paid had the property not
7 been exempt during the three years preceding, or the life of such
8 exemption, if such be less, together with the interest at the same rate
9 and computed in the same way as that upon delinquent property taxes(~~(+~~
10 ~~PROVIDED, That~~)). Where the property has been granted an exemption for
11 more than ten years, taxes and interest shall not be assessed under
12 this section.

13 (2) Subsection (1) of this section applies only when ownership of
14 the property is transferred or when fifty-one percent or more of the
15 area of the property has lost its exempt status. The additional tax
16 under subsection (1) of this section shall not be imposed if the
17 cessation of use resulted solely from:

18 (a) Transfer to a nonprofit organization, association, or
19 corporation for a use which also qualifies and is granted exemption
20 under the provisions of chapter 84.36 RCW;

21 (b) A taking through the exercise of the power of eminent domain,
22 or sale or transfer to an entity having the power of eminent domain in
23 anticipation of the exercise of such power;

24 (c) Official action by an agency of the state of Washington or by
25 the county or city within which the property is located which disallows
26 the present use of such property;

27 (d) A natural disaster such as a flood, windstorm, earthquake, or
28 other such calamity rather than by virtue of the act of the
29 organization, association, or corporation changing the use of such
30 property;

31 (e) Relocation of the activity and use of another location or site
32 except for undeveloped properties of camp facilities exempted under RCW
33 84.36.030;

34 (f) Cancellation of a lease on property that had been exempt under
35 RCW 84.36.040, 84.36.041, 84.36.043, or 84.36.060;

36 (g) A change in the exempt portion of a home for the aging under
37 RCW 84.36.041(~~(+2)~~)(3), as long as some portion of the home remains
38 exempt;

1 (h) The conversion of a full exemption of a home for the aging to
2 a partial exemption or taxable status or the conversion of a partial
3 exemption to taxable status under RCW 84.36.041(~~((+7))~~) (8).

4 **Sec. 16.** RCW 84.40.030 and 1993 c 436 s 1 are each amended to read
5 as follows:

6 All property shall be valued at one hundred percent of its true and
7 fair value in money and assessed on the same basis unless specifically
8 provided otherwise by law.

9 Taxable leasehold estates shall be valued at such price as they
10 would bring at a fair, voluntary sale for cash without any deductions
11 for any indebtedness owed including rentals to be paid.
12 (~~((Notwithstanding any other provisions of this section or of any other~~
13 ~~statute, when the value of any taxable leasehold estate created prior~~
14 ~~to January 1, 1971 is being determined for assessment years prior to~~
15 ~~the assessment year 1973, there shall be deducted from what would~~
16 ~~otherwise be the value thereof the present worth of the rentals and~~
17 ~~other consideration which may be required of the lessee by the lessor~~
18 ~~for the unexpired term thereof:— PROVIDED, That the foregoing~~
19 ~~provisions of this sentence shall not apply to any extension or~~
20 ~~renewal, made after December 31, 1970 of the term of any such estate,~~
21 ~~or to any such estate after the date, if any, provided for in the~~
22 ~~agreement for rental renegotiation.))~~)

23 The true and fair value of real property for taxation purposes
24 (including property upon which there is a coal or other mine, or stone
25 or other quarry) shall be based upon the following criteria:

26 (1) Any sales of the property being appraised or similar properties
27 with respect to sales made within the past five years. The appraisal
28 shall be consistent with the comprehensive land use plan, development
29 regulations under chapter 36.70A RCW, zoning, and any other
30 governmental policies or practices in effect at the time of appraisal
31 that affect the use of property, as well as physical and environmental
32 influences. The appraisal shall also take into account(~~((7))~~): (a) in
33 the use of sales by real estate contract as similar sales, the extent,
34 if any, to which the stated selling price has been increased by reason
35 of the down payment, interest rate, or other financing terms; and (b)
36 the extent to which the sale of a similar property actually represents
37 the general effective market demand for property of such type, in the
38 geographical area in which such property is located. Sales involving

1 deed releases or similar seller-developer financing arrangements shall
2 not be used as sales of similar property.

3 (2) In addition to sales as defined in subsection (1),
4 consideration may be given to cost, cost less depreciation,
5 reconstruction cost less depreciation, or capitalization of income that
6 would be derived from prudent use of the property. In the case of
7 property of a complex nature, or being used under terms of a franchise
8 from a public agency, or operating as a public utility, or property not
9 having a record of sale within five years and not having a significant
10 number of sales of similar property in the general area, the provisions
11 of this subsection (2) shall be the dominant factors in valuation.
12 When provisions of this subsection (2) are relied upon for establishing
13 values the property owner shall be advised upon request of the factors
14 used in arriving at such value.

15 (3) In valuing any tract or parcel of real property, the value of
16 the land, exclusive of structures thereon shall be determined; also the
17 value of structures thereon, but the valuation shall not exceed the
18 value of the total property as it exists. In valuing agricultural
19 land, growing crops shall be excluded.

20 **Sec. 17.** RCW 84.40.080 and 1973 2nd ex.s. c 8 s 1 are each amended
21 to read as follows:

22 The assessor, upon ~~((his))~~ the assessor's own motion, or upon the
23 application of any taxpayer, shall enter in the detail and assessment
24 list of the current year any property shown to have been omitted from
25 the assessment list of any preceding year, at the valuation of that
26 year, or if not then valued, at such valuation as the assessor shall
27 determine from the preceding year, and such valuation shall be stated
28 in a separate line from the valuation of the current year. Where
29 improvements have not been valued and assessed as a part of the real
30 estate upon which the same may be located, as evidenced by the
31 assessment rolls, they may be separately valued and assessed as omitted
32 property under this section(~~(:—PROVIDED, That)~~). No such assessment
33 shall be made in any case where a bona fide purchaser, encumbrancer, or
34 contract buyer has acquired any interest in said property prior to the
35 time such improvements are assessed. When such an omitted assessment
36 is made, the taxes levied thereon may be paid within one year of the
37 due date of the taxes for the year in which the assessment is made
38 without penalty or interest(~~(:—AND PROVIDED FURTHER, That)~~). In the

1 assessment of personal property, the assessor shall assess the omitted
2 value not reported by the taxpayer as evidenced by an inspection of
3 either the property or the books and records of said taxpayer by the
4 assessor.

5 **Sec. 18.** RCW 84.40.085 and 1973 2nd ex.s. c 8 s 2 are each amended
6 to read as follows:

7 No omitted property or omitted value assessment shall be made for
8 any period more than three years preceding the year in which the
9 omission is discovered. The assessor, upon discovery of such omission,
10 shall forward a copy of the amended personal property affidavit along
11 with a letter of particulars informing the taxpayer of the findings and
12 of ~~((his))~~ the taxpayer's right of appeal to the county board of
13 equalization. Upon request of either the taxpayer or the assessor, the
14 county board of equalization may be reconvened to act on ~~((subject~~
15 ~~emits))~~ the omitted property or omitted value assessments.

16 **Sec. 19.** RCW 84.40.170 and 1961 c 15 s 84.40.170 are each amended
17 to read as follows:

18 In all cases of irregular subdivided tracts or lots of land other
19 than any regular government subdivision the ~~((county))~~ assessor shall
20 outline a plat of such tracts or lots and notify the owner or owners
21 thereof with a request to have the same surveyed by the county
22 engineer, and cause the same to be platted into numbered (or lettered)
23 lots or tracts~~((: PROVIDED, HOWEVER, That where))~~. If any county has
24 in its possession the correct field notes of any such tract or lot of
25 land a new survey shall not be necessary~~((, but))~~ and such tracts may
26 be mapped from such field notes. In case the owner of such tracts or
27 lots neglects or refuses to have the same surveyed or platted, the
28 ~~((county))~~ assessor shall notify the ~~((board of county commissioners))~~
29 county legislative authority in and for the county, who may order and
30 direct the county engineer to make the proper survey and plat of the
31 tracts and lots. A plat shall be made on which said tracts or lots of
32 land shall be accurately described by lines, and numbered (or
33 lettered), which numbers (or letters) together with number of the
34 section, township and range shall be distinctly marked on such plat,
35 and the field notes of all such tracts or lots of land shall describe
36 each tract or lot according to the survey, and such tract or lot shall
37 be numbered (or lettered) to correspond with its number (or letter) on

1 the map. The plat shall be given a designated name by the surveyor
2 thereof. When the survey, plat, field notes and name of plat, shall
3 have been approved by the board of county commissioners, the plat and
4 field notes shall be filed and recorded in the office of the county
5 auditor, and the description of any tract or lot of land described in
6 said plats by number (or letter), section, township and range, shall be
7 a sufficient and legal description for revenue and all other purposes.

8 **Sec. 20.** RCW 84.40.175 and 1986 c 285 s 3 are each amended to read
9 as follows:

10 At the time of making the assessment of real property, the assessor
11 shall enter each description of property exempt under the provisions of
12 (~~RCW 84.36.005 through 84.36.060~~) chapter 84.36 RCW, and value and
13 list the same in the manner and subject to the same rule as ((he)) the
14 assessor is required to assess all other property, designating in each
15 case to whom such property belongs(~~, and for what purpose used, to~~
16 ~~entitle it to exemption, and he shall require from every person~~
17 ~~claiming such exemption proof of the right to such exemption:~~
18 ~~PROVIDED, That~~)). However, with respect to publicly owned property
19 exempt from taxation under provisions of RCW 84.36.010, the assessor
20 shall value only such property as is leased to or occupied by a private
21 person under an agreement allowing such person to occupy or use such
22 property for a private purpose when a request for such valuation is
23 received from the department of revenue or the lessee of such property
24 for use in determining the taxable rent as provided for in chapter
25 82.29A RCW: PROVIDED FURTHER, That this section shall not prohibit any
26 assessor from valuing any public property leased to or occupied by a
27 private person for private purposes.

28 **Sec. 21.** RCW 84.40.230 and 1961 c 15 s 84.40.230 are each amended
29 to read as follows:

30 When any real property is sold on contract by the United States of
31 America, the state, or any county or municipality, and ((such)) the
32 contract expresses or implies that the vendee is entitled to the
33 possession, use, benefits and profits thereof and therefrom so long as
34 ((he)) the vendee complies with the terms of ((such)) the contract, it
35 shall be deemed that the vendor retains title merely as security for
36 the fulfillment of the contract, and ((such)) the property shall be
37 assessed and taxed in the same manner as other similar property in

1 private ownership is taxed, and the tax roll shall contain, opposite
2 the description of the property so assessed the following notation:
3 "Subject to title remaining in the vendor" or other notation of similar
4 significance. No foreclosure for delinquent taxes nor any deed issued
5 pursuant thereto shall extinguish or otherwise affect the title of the
6 vendor. In any case under former law where the contract and not the
7 property was taxed no deed of the property described in such contract
8 shall ever be executed and delivered by the state or any county or
9 municipality until all taxes assessed against such contract and local
10 assessments assessed against the land described thereon are fully paid.

11 **Sec. 22.** RCW 84.48.022 and 1970 ex.s. c 55 s 5 are each amended to
12 read as follows:

13 All meetings of the board of equalization shall be held at the
14 county courthouse, or other suitable place within the county, and the
15 (~~board of county commissioners~~) county legislative authority shall
16 make provision for a suitable meeting place.

17 **Sec. 23.** RCW 84.48.026 and 1970 ex.s. c 55 s 6 are each amended to
18 read as follows:

19 The terms of each appointed member of the board shall be for three
20 years or until their successors are appointed(~~(: PROVIDED, HOWEVER,)~~).
21 Each appointed member may be removed by a majority vote of the (~~county~~
22 ~~commissioners or other~~) county legislative (~~body~~) authority.

23 **Sec. 24.** RCW 84.48.028 and 1970 ex.s. c 55 s 7 are each amended to
24 read as follows:

25 The board may appoint a clerk of the board and any assistants the
26 board might need, all to serve at the pleasure of the members of the
27 board, and the clerk or (~~his~~) assistant(~~(-)~~) shall attend all
28 sessions thereof, and shall keep the record. Neither the assessor nor
29 any of (~~his~~) the assessor's staff may serve as clerk.

30 **Sec. 25.** RCW 84.48.032 and 1970 ex.s. c 55 s 8 are each amended to
31 read as follows:

32 The board may hire one or more appraisers accredited by the
33 department of revenue or certified (~~(as such)~~) by the Washington state
34 department of (~~personnel~~) licensing, society of real estate
35 appraisers, American institute of real estate appraisers, or

1 international association of assessing officers, and not otherwise
2 employed by the county, and other necessary personnel for the purpose
3 of aiding the board and carrying out its functions and duties. In
4 addition, the boards of the various counties may make reciprocal
5 arrangements for the exchange of the appraisers with other counties.
6 Such appraisers need not be residents of the county.

7 **Sec. 26.** RCW 84.48.036 and 1970 ex.s. c 55 s 9 are each amended to
8 read as follows:

9 The county (~~commissioners~~) legislative authority may provide an
10 adequate annual budget and funds for operation and needs of the board
11 of equalization, including, but not limited to the costs and expenses
12 of the board, such as the meeting place, the necessary equipment and
13 facilities, materials, the salaries of the clerk of the board and
14 (~~his~~) the clerk's assistants, the expenses of the members of the
15 board during the sessions, travel, in-service training, and payment of
16 salaries of all such employees hired by the board, to facilitate its
17 work.

18 **Sec. 27.** RCW 84.48.050 and 1961 c 15 s 84.48.050 are each amended
19 to read as follows:

20 The county assessor shall, on or before the fifteenth day of
21 January in each year, make out and transmit to the state auditor, in
22 such form as may be prescribed, a complete abstract of the tax rolls of
23 the county, showing the number of acres of land assessed, the value of
24 such land, including the structures thereon; the value of town and city
25 lots, including structures; the total value of all taxable personal
26 property in the county; the aggregate amount of all taxable property in
27 the county; the total amount as equalized and the total amount of taxes
28 levied in the county for state, county, city and other taxing district
29 purposes, for that year. Should the assessor of any county fail to
30 transmit to the (~~state board of equalization~~) department of revenue
31 the abstract provided for in RCW 84.48.010 (~~by the time the state~~
32 ~~board of equalization convenes~~), and if, by reason of such failure to
33 transmit such abstract, any county shall fail to collect and pay to the
34 state its due proportion of the state tax for any year, the (~~state~~
35 ~~board of equalization~~) department of revenue shall(~~, at its next~~
36 ~~annual session,~~) ascertain what amount of state tax said county has
37 failed to collect, and certify the same to the state auditor, who shall

1 charge the amount to the proper county and notify the auditor of said
2 county of the amount of said charge; said sum shall be due and payable
3 immediately by warrant in favor of the state on the current expense
4 fund of said county.

5 **Sec. 28.** RCW 84.48.110 and 1987 c 168 s 1 are each amended to read
6 as follows:

7 ~~((Within three days after the record of the proceedings of the
8 state board of equalization is certified by the director of the
9 department))~~ After certifying the record of the proceedings of the
10 department in accordance with RCW 84.48.080, the department shall
11 transmit to each county assessor a copy of the record of the
12 proceedings of the ~~((board))~~ department, specifying the amount to be
13 levied and collected ~~((on said assessment books))~~ for state purposes
14 for such year, and in addition thereto it shall certify to each county
15 assessor the amount due to each state fund and unpaid from such county
16 for the fifth preceding year, and such delinquent state taxes shall be
17 added to the amount levied for the current year. The department shall
18 close the account of each county for the fifth preceding year and
19 charge the amount of such delinquency to the tax levy of the current
20 year. These delinquent taxes shall not be subject to chapter 84.55
21 RCW. All taxes collected on and after the first day of July last
22 preceding such certificate, on account of delinquent state taxes for
23 the fifth preceding year shall belong to the county and by the county
24 treasurer be credited to the current expense fund of the county in
25 which collected.

26 **Sec. 29.** RCW 84.48.120 and 1987 c 168 s 2 are each amended to read
27 as follows:

28 It shall be the duty of the ~~((county))~~ assessor of each county,
29 when ~~((he))~~ the assessor shall have received from the state department
30 of revenue the assessed valuation of the property of railroad and other
31 companies assessed by the department of revenue and apportioned to the
32 county, and placed the same on the tax rolls, and received the report
33 of the department of revenue of the amount of taxes levied for state
34 purposes, to compute the required percent on the assessed value of
35 property in the county, and such state taxes shall be extended on the
36 tax rolls ~~((in the proper column:—PROVIDED, That))~~. The rates so
37 computed shall not be such as to raise a surplus of more than five

1 percent over the total amount required by the (~~state board of~~
2 ~~equalization: PROVIDED FURTHER, That~~) department. Any surplus raised
3 shall be remitted to the state in accordance with RCW 84.56.280.

4 **Sec. 30.** RCW 84.48.130 and 1975 1st ex.s. c 278 s 207 are each
5 amended to read as follows:

6 It shall be the duty of the (~~county~~) assessor of each county,
7 when (~~he~~) the assessor shall have received from the state department
8 of revenue the certificate of the assessed valuation of the property of
9 railroad and/or other companies assessed by the department of revenue
10 and apportioned to the county, and shall have distributed the value so
11 certified (~~to him~~), to the several taxing districts in (~~his~~) the
12 county entitled to a proportionate value thereof, and placed the same
13 upon the tax rolls of the county, to certify to the (~~board of county~~
14 ~~commissioners~~) county legislative authority and to the officers
15 authorized by law to estimate expenditures and/or levy taxes for any
16 taxing district coextensive with the county, the total assessed value
17 of property in the county as shown by the completed tax rolls, and to
18 certify to the officers authorized by law to estimate expenditures
19 and/or levy taxes for each taxing district in the county not
20 coextensive with the county, the total assessed value of the property
21 in such taxing district.

22 **Sec. 31.** RCW 84.48.140 and 1971 ex.s. c 288 s 11 are each amended
23 to read as follows:

24 The county (~~commissioners or governing board~~) legislative
25 authority of any county may designate one or more persons to act as a
26 property tax advisor to any person liable for payment of property taxes
27 in the county. A person designated as a property tax advisor shall not
28 be an employee of the assessor's office or have been associated in any
29 way with the determination of any valuation of property for taxation
30 purposes that may be the subject of an appeal. A person designated as
31 a property tax advisor may be compensated on a fee basis or as an
32 employee by the county from any funds available to the county for use
33 in property evaluation including funds available from the state for use
34 in the property tax revaluation program.

35 The property tax advisor shall perform such duties as may be set
36 forth by resolution of the county (~~commissioners or other governing~~)
37 legislative authority.

1 If any (~~board of county commissioners~~) county legislative
2 authority elects to designate a property tax advisor, (~~they~~) it shall
3 publicize the services available.

4 **Sec. 32.** RCW 84.52.010 and 1993 c 337 s 4 are each amended to read
5 as follows:

6 Except as is permitted under RCW 84.55.050, all taxes shall be
7 levied or voted in specific amounts.

8 The rate percent of all taxes for state and county purposes, and
9 purposes of taxing districts coextensive with the county, shall be
10 determined, calculated and fixed by the county assessors of the
11 respective counties, within the limitations provided by law, upon the
12 assessed valuation of the property of the county, as shown by the
13 completed tax rolls of the county, and the rate percent of all taxes
14 levied for purposes of taxing districts within any county shall be
15 determined, calculated and fixed by the county assessors of the
16 respective counties, within the limitations provided by law, upon the
17 assessed valuation of the property of the taxing districts
18 respectively.

19 When a county assessor finds that the aggregate rate of tax levy on
20 any property, that is subject to the limitations set forth in RCW
21 84.52.043 or 84.52.050, as now or hereafter amended, exceeds the
22 limitations provided in either of these sections, the assessor shall
23 recompute and establish a consolidated levy in the following manner:

24 (1) The full certified rates of tax levy for state, county, county
25 road district, and city or town purposes shall be extended on the tax
26 rolls in amounts not exceeding the limitations established by law(~~(~~
27 ~~subject to subsection (2)(e) of this section)~~); however any state levy
28 shall take precedence over all other levies and shall not be reduced
29 for any purpose other than that required by RCW 84.55.010; however, if
30 as a result of the levies imposed under RCW 84.52.069, 84.34.230, and
31 84.52.105, the combined rates of regular property tax levies exceed one
32 percent of the true and fair value of any property, then the levies
33 imposed under RCW 84.34.230 and 84.52.105, and any portion of the levy
34 imposed under RCW 84.52.069 that is in excess of thirty cents per
35 thousand dollars of assessed value, shall be reduced on a pro rata
36 basis or eliminated until the combined rates of regular property tax
37 levies no longer exceed one percent of the true and fair value of any
38 property; and

1 (2) The certified rates of tax levy subject to these limitations by
2 all junior taxing districts imposing taxes on such property shall be
3 reduced or eliminated as follows to bring the consolidated levy of
4 taxes on such property within the provisions of these limitations:

5 (a) First, the certified property tax levy rates of those junior
6 taxing districts authorized under RCW 36.68.525, 36.69.145, and
7 67.38.130 shall be reduced on a pro rata basis or eliminated;

8 (b) Second, if the consolidated tax levy rate still exceeds these
9 limitations, the certified property tax levy rates of flood control
10 zone districts shall be reduced on a pro rata basis or eliminated;

11 (c) Third, if the consolidated tax levy rate still exceeds these
12 limitations, the certified property tax levy rates of all other junior
13 taxing districts, other than fire protection districts, library
14 districts, the first fifty cent per thousand dollars of assessed
15 valuation levies for metropolitan park districts, and the first fifty
16 cent per thousand dollars of assessed valuation levies for public
17 hospital districts, shall be reduced on a pro rata basis or eliminated;

18 (d) Fourth, if the consolidated tax levy rate still exceeds these
19 limitations, the certified property tax levy rates authorized to fire
20 protection districts under RCW 52.16.140 and 52.16.160 shall be reduced
21 on a pro rata basis or eliminated; and

22 (e) Fifth, if the consolidated tax levy rate still exceeds these
23 limitations, the certified property tax levy rates authorized for fire
24 protection districts under RCW 52.16.130, library districts,
25 metropolitan park districts under their first fifty cent per thousand
26 dollars of assessed valuation levy, and public hospital districts under
27 their first fifty cent per thousand dollars of assessed valuation levy,
28 shall be reduced on a pro rata basis or eliminated.

29 **Sec. 33.** RCW 84.52.018 and 1989 c 378 s 15 are each amended to
30 read as follows:

31 Whenever any property value or claim for exemption or cancellation
32 of a property assessment is appealed to the state board of tax appeals
33 or court of competent jurisdiction and the dollar difference between
34 the total value asserted by the taxpayer and the total value asserted
35 by the opposing party exceeds one-fourth of one percent of the total
36 assessed value of property in the county, the assessor shall use only
37 that portion of the total value which is not in controversy for
38 purposes of computing the levy rates and extending the tax on the tax

1 roll in accordance with this chapter, unless the state board of tax
2 appeals has issued its determination at the time of extending the tax.

3 When the state board of tax appeals or court of competent
4 jurisdiction makes its final determination, the proper amount of tax
5 shall be extended and collected for each taxing district if this has
6 not already been done. The amount of tax collected and extended shall
7 include interest at the rate of nine percent per year on the amount of
8 the board's final determination minus the amount not in controversy.
9 The interest shall accrue from the date the taxes on the amount not in
10 controversy (~~was~~) were first due and payable. Any amount extended in
11 excess of that permitted by chapter 84.55 RCW shall be held in abeyance
12 and used to reduce the levy rates of the next succeeding levy.

13 **Sec. 34.** RCW 84.52.030 and 1961 c 15 s 84.52.030 are each amended
14 to read as follows:

15 For the purpose of raising revenue for state, county and other
16 taxing district purposes, the (~~board of county commissioners~~) county
17 legislative authority of each county at its October session, and all
18 other officials or boards authorized by law to levy taxes for taxing
19 district purposes, shall levy taxes on all the taxable property in the
20 county or district, as the case may be, sufficient for such purposes,
21 and within the limitations permitted by law.

22 **Sec. 35.** RCW 84.60.050 and 1971 ex.s. c 260 s 2 are each amended
23 to read as follows:

24 (1) When real property is acquired by purchase or condemnation by
25 the state of Washington, any county or municipal corporation or is
26 placed under a recorded agreement for immediate possession and use or
27 an order of immediate possession and use pursuant to RCW 8.04.090, such
28 property shall continue to be subject to the tax lien for the years
29 prior to the year in which the property is so acquired or placed under
30 such agreement or order, of any tax levied by the state, county,
31 municipal corporation or other tax levying public body, except as is
32 otherwise provided in RCW 84.60.070.

33 (2) The lien for taxes applicable to the real property being
34 acquired or placed under immediate possession and use for the year in
35 which such real property is so acquired or placed under immediate
36 possession and use shall be for only the pro rata portion of taxes
37 allocable to that portion of the year prior to the date of execution of

1 the instrument vesting title, date of recording such agreement of
2 immediate possession and use, date of such order of immediate
3 possession and use, or date of judgment. No taxes levied or tax lien
4 on such property allocable to a period subsequent to the dates
5 identified in this subsection shall be valid and any such taxes levied
6 shall be canceled as provided in RCW (~~(84.56.400)~~) 84.48.065. In the
7 event the owner has paid taxes allocable to that portion of the year
8 subsequent to the dates identified in this subsection he or she shall
9 be entitled to a pro rata refund of the amount paid on the property so
10 acquired or placed under a recorded agreement or an order of immediate
11 possession and use. If the dates identified in this subsection precede
12 February 15th of the year in which such taxes become payable, no lien
13 for such taxes shall be valid and any such taxes levied but not payable
14 shall be canceled as provided in RCW (~~(84.56.400)~~) 84.48.065.

15 **Sec. 36.** RCW 84.68.020 and 1961 c 15 s 84.68.020 are each amended
16 to read as follows:

17 In all cases of the levy of taxes for public revenue which are
18 deemed unlawful or excessive by the person, firm or corporation whose
19 property is taxed, or from whom such tax is demanded or enforced, such
20 person, firm or corporation may pay such tax or any part thereof deemed
21 unlawful, under written protest setting forth all of the grounds upon
22 which such tax is claimed to be unlawful or excessive; and thereupon
23 the person, firm or corporation so paying, or (~~(his or its)~~) their
24 legal representatives or assigns, may bring an action in the superior
25 court or in any federal court of competent jurisdiction against the
26 state, county or municipality by whose officers the same was collected,
27 to recover such tax, or any portion thereof, so paid under protest:
28 PROVIDED, That RCW 84.68.010 through 84.68.070 shall not be deemed to
29 enlarge the grounds upon which taxes may now be recovered: AND
30 PROVIDED FURTHER, That no claim need be presented to the state or
31 county or municipality, or any of their respective officers, for the
32 return of such protested tax as a condition precedent to the
33 institution of such action.

34 **Sec. 37.** RCW 84.68.090 and 1961 c 15 s 84.68.090 are each amended
35 to read as follows:

36 In all actions for the recovery of lands or other property sold for
37 taxes, the complainant must state and set forth specially in (~~(his)~~)

1 the complaint the tax that is justly due, with penalties, interest and
2 costs, that the taxes for that and previous years have been paid; and
3 when the action is against the person or corporation in possession
4 thereof that all taxes, penalties, interest and costs paid by the
5 purchaser at tax-sale, (~~his~~) the purchaser's assignees or grantees
6 have been fully paid or tendered, and payment refused.

7 NEW SECTION. **Sec. 38.** The following acts or parts of acts are
8 each repealed:

9 (1) RCW 84.24.010 and 1975 1st ex.s. c 278 s 184 & 1961 c 15 s
10 84.24.010;

11 (2) RCW 84.24.020 and 1961 c 15 s 84.24.020;

12 (3) RCW 84.24.030 and 1985 c 469 s 64, 1975 1st ex.s. c 278 s 185,
13 & 1961 c 15 s 84.24.030;

14 (4) RCW 84.24.040 and 1975 1st ex.s. c 278 s 186 & 1961 c 15 s
15 84.24.040;

16 (5) RCW 84.24.050 and 1975 1st ex.s. c 278 s 187 & 1961 c 15 s
17 84.24.050;

18 (6) RCW 84.24.060 and 1961 c 15 s 84.24.060; and

19 (7) RCW 84.24.070 and 1989 c 378 s 27 & 1961 c 15 s 84.24.070.

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