

2 **SB 6118** - S Amd to 4064.2/96 (2nd Draft) 002
3 By Senators Swecker, McCaslin and Strannigan

4 NOT ADOPTED 1/9/96

5 On page 1, beginning on line 7, strike section 1 and insert the
6 following:

7 "**Sec. 1.** RCW 84.52.065 and 1991 sp.s. c 31 s 16 are each amended
8 to read as follows:

9 (1) Subject to the limitations in RCW 84.55.010, in each year the
10 state shall levy for collection in the following year for the support
11 of common schools of the state a tax ((of three dollars and sixty cents
12 per thousand dollars of assessed value)) at the rate specified in
13 subsection (2) of this section upon the assessed valuation of all
14 taxable property within the state adjusted to the state equalized value
15 in accordance with the indicated ratio fixed by the state department of
16 revenue.

17 (2) The rate of state tax in subsection (1) of this section shall
18 be as follows:

19 (a) Three dollars and sixty cents per thousand dollars of assessed
20 value for taxes levied for collection in 1996, and before;

21 (b) Three dollars per thousand dollars of assessed value for taxes
22 levied for collection in 1997;

23 (c) Two dollars and forty cents per thousand dollars of assessed
24 value for taxes levied for collection in 1998;

25 (d) One dollar and eighty cents per thousand dollars of assessed
26 value for taxes levied for collection in 1999;

27 (e) One dollar and twenty cents per thousand dollars of assessed
28 value for taxes levied for collection in 2000; and

29 (f) Sixty cents per thousand dollars of assessed value for taxes
30 levied for collection in 2001.

31 No tax may be levied under this section for taxes levied for
32 collection in 2002 and thereafter.

33 (3) As used in this section, "the support of common schools"
34 includes the payment of the principal and interest on bonds issued for
35 capital construction projects for the common schools.

1 **Sec. 2.** RCW 84.52.043 and 1995 c 99 s 3 are each amended to read
2 as follows:

3 Within and subject to the limitations imposed by RCW 84.52.050 as
4 amended, the regular ad valorem tax levies upon real and personal
5 property by the taxing districts hereafter named shall be as follows:

6 (1) Levies of the senior taxing districts shall be as follows: (a)
7 The levy by the state shall not exceed (~~three dollars and sixty~~
8 ~~cents~~) the dollar rate per thousand dollars of assessed value
9 specified in RCW 84.52.065 adjusted to the state equalized value in
10 accordance with the indicated ratio fixed by the state department of
11 revenue to be used exclusively for the support of the common schools;
12 (b) the levy by any county shall not exceed one dollar and eighty cents
13 per thousand dollars of assessed value; (c) the levy by any road
14 district shall not exceed two dollars and twenty-five cents per
15 thousand dollars of assessed value; and (d) the levy by any city or
16 town shall not exceed three dollars and thirty-seven and one-half cents
17 per thousand dollars of assessed value. However any county is hereby
18 authorized to increase its levy from one dollar and eighty cents to a
19 rate not to exceed two dollars and forty-seven and one-half cents per
20 thousand dollars of assessed value for general county purposes if the
21 total levies for both the county and any road district within the
22 county do not exceed four dollars and five cents per thousand dollars
23 of assessed value, and no other taxing district has its levy reduced as
24 a result of the increased county levy.

25 (2) The aggregate levies of junior taxing districts and senior
26 taxing districts, other than the state, shall not exceed five dollars
27 and ninety cents per thousand dollars of assessed valuation. The term
28 "junior taxing districts" includes all taxing districts other than the
29 state, counties, road districts, cities, towns, port districts, and
30 public utility districts. The limitations provided in this subsection
31 shall not apply to: (a) Levies at the rates provided by existing law
32 by or for any port or public utility district; (b) excess property tax
33 levies authorized in Article VII, section 2 of the state Constitution;
34 (c) levies for acquiring conservation futures as authorized under RCW
35 84.34.230; (d) levies for emergency medical care or emergency medical
36 services imposed under RCW 84.52.069; (e) levies to finance affordable
37 housing for very low-income housing imposed under RCW 84.52.105; and
38 (f) the portions of levies by metropolitan park districts that are
39 protected under RCW 84.52.120.

1 **Sec. 3.** RCW 84.52.050 and 1973 1st ex.s. c 194 s 1 are each
2 amended to read as follows:

3 (1) Except as hereinafter provided, the aggregate of all tax levies
4 upon real and personal property by the state and all taxing districts,
5 now existing or hereafter created, shall not in any year exceed (~~one~~
6 ~~percentum~~) the following percentage of the true and fair value of such
7 property in money: (~~PROVIDED, HOWEVER, That~~)

8 (a) For taxes levied for collection in 1996, and before, 1.0
9 percent;

10 (b) For taxes levied for collection in 1997, 0.94 percent;

11 (c) For taxes levied for collection in 1998, 0.88 percent;

12 (d) For taxes levied for collection in 1999, 0.82 percent;

13 (e) For taxes levied for collection in 2000, 0.76 percent;

14 (f) For taxes levied for collection in 2001, 0.70 percent; and

15 (g) For taxes levied for collection in 2002 and thereafter, 0.64
16 percent.

17 (2) Nothing herein shall prevent levies at the rates now provided
18 by law by or for any port or public utility district. The term "taxing
19 district" for the purposes of this section shall mean any political
20 subdivision, municipal corporation, district, or other governmental
21 agency authorized by law to levy, or have levied for it, ad valorem
22 taxes on property, other than a port or public utility district. Such
23 aggregate limitation or any specific limitation imposed by law in
24 conformity therewith may be exceeded only as authorized by law and in
25 conformity with the provisions of Article VII, section 2(a), (b), or
26 (c) of the Constitution of the state of Washington.

27 (3) Nothing herein contained shall prohibit the legislature from
28 allocating or reallocating the authority to levy taxes between the
29 taxing districts of the state and its political subdivisions in a
30 manner which complies with the aggregate tax limitation set forth in
31 this section.

32 **Sec. 4.** RCW 36.58.150 and 1984 c 186 s 25 are each amended to read
33 as follows:

34 (1) A solid waste disposal district shall not have the power to
35 levy an annual levy without voter approval, but it shall have the power
36 to levy a tax, in excess of the (~~one percent~~) limitation in RCW
37 84.52.050, upon the property within the district for a one year period
38 to be used for operating or capital purposes whenever authorized by the

1 electors of the district pursuant to RCW 84.52.052 and Article VII,
2 section 2(a) of the state Constitution.

3 A solid waste disposal district may issue general obligation bonds
4 for capital purposes only, subject to the limitations prescribed in RCW
5 39.36.020(1), and may provide for the retirement of the bonds by voter-
6 approved bond retirement tax levies pursuant to Article VII, section
7 2(b) of the state Constitution and RCW 84.52.056. Such general
8 obligation bonds shall be issued and sold in accordance with chapter
9 39.46 RCW.

10 A solid waste disposal district may issue revenue bonds to fund its
11 activities. Such revenue bonds may be in any form, including bearer
12 bonds or registered bonds as provided in RCW 39.46.030.

13 (2) Notwithstanding subsection (1) of this section, such revenue
14 bonds may be issued and sold in accordance with chapter 39.46 RCW.

15 **Sec. 5.** RCW 36.60.040 and 1983 c 303 s 11 are each amended to read
16 as follows:

17 A county rail district is not authorized to impose a regular ad
18 valorem property tax levy but may:

19 (1) Levy an ad valorem property tax, in excess of the (~~one~~
20 ~~percent~~) limitation in RCW 84.52.050, upon the property within the
21 district for a one-year period to be used for operating or capital
22 purposes whenever authorized by the voters of the district pursuant to
23 RCW 84.52.052 and Article VII, section 2(a) of the state Constitution.

24 (2) Provide for the retirement of voter approved general obligation
25 bonds, issued for capital purposes only, by levying bond retirement ad
26 valorem property tax levies, in excess of the one percent limitation,
27 whenever authorized by the voters of the district pursuant to Article
28 VII, section 2(b) of the state Constitution and RCW 84.52.056.

29 **Sec. 6.** RCW 36.69.145 and 1994 c 156 s 3 are each amended to read
30 as follows:

31 (1) A park and recreation district may impose regular property tax
32 levies in an amount equal to sixty cents or less per thousand dollars
33 of assessed value of property in the district in each year for six
34 consecutive years when specifically authorized so to do by a majority
35 of at least three-fifths of the voters thereof approving a proposition
36 authorizing the levies submitted at a special election or at the
37 regular election of the district, at which election the number of

1 voters voting "yes" on the proposition shall constitute three-fifths of
2 a number equal to forty per centum of the number of voters voting in
3 such district at the last preceding general election when the number of
4 voters voting on the proposition does not exceed forty per centum of
5 the number of voters voting in such taxing district in the last
6 preceding general election; or by a majority of at least three-fifths
7 of the voters thereof voting on the proposition if the number of voters
8 voting on the proposition exceeds forty per centum of the number of
9 voters voting in such taxing district in the last preceding general
10 election. A proposition authorizing the tax levies shall not be
11 submitted by a park and recreation district more than twice in any
12 twelve-month period. Ballot propositions shall conform with RCW
13 29.30.111. In the event a park and recreation district is levying
14 property taxes, which in combination with property taxes levied by
15 other taxing districts subject to the ((~~one percent~~)) limitation
16 provided for in ((~~Article 7, section 2, of our state Constitution~~)) RCW
17 84.52.050 result in taxes in excess of the limitation provided for in
18 RCW 84.52.043, the park and recreation district property tax levy shall
19 be reduced or eliminated before the property tax levies of other taxing
20 districts are reduced.

21 (2) The limitation in RCW 84.55.010 shall not apply to the first
22 levy imposed under this section following the approval of the levies by
23 the voters under subsection (1) of this section.

24 **Sec. 7.** RCW 36.73.060 and 1987 c 327 s 6 are each amended to read
25 as follows:

26 (1) A transportation benefit district may levy an ad valorem
27 property tax in excess of the ((~~one percent~~)) limitation in RCW
28 84.52.050 upon the property within the district for a one-year period
29 whenever authorized by the voters of the district pursuant to RCW
30 84.52.052 and Article VII, section 2(a) of the state Constitution.

31 (2) A district may provide for the retirement of voter-approved
32 general obligation bonds, issued for capital purposes only, by levying
33 bond retirement ad valorem property tax levies in excess of the one
34 percent limitation whenever authorized by the voters of the district
35 pursuant to Article VII, section 2(b) of the state Constitution and RCW
36 84.52.056.

1 **Sec. 8.** RCW 36.83.030 and 1983 c 130 s 3 are each amended to read
2 as follows:

3 (1) A service district may levy an ad valorem property tax, in
4 excess of the (~~one percent~~) limitation in RCW 84.52.050, upon the
5 property within the district for a one-year period whenever authorized
6 by the voters of the district pursuant to RCW 84.52.052 and Article
7 VII, section 2(a) of the state Constitution.

8 (2) A service district may provide for the retirement of voter
9 approved general obligation bonds, issued for capital purposes only, by
10 levying bond retirement ad valorem property tax levies, in excess of
11 the one percent limitation, whenever authorized by the voters of the
12 district pursuant to Article VII, section 2(b) of the state
13 Constitution and RCW 84.52.056.

14 **Sec. 9.** RCW 36.100.050 and 1988 ex.s. c 1 s 15 are each amended to
15 read as follows:

16 (1) A public facilities district may levy an ad valorem property
17 tax, in excess of the (~~one percent~~) limitation in RCW 84.52.050, upon
18 the property within the district for a one-year period to be used for
19 operating or capital purposes whenever authorized by the voters of the
20 district pursuant to RCW 84.52.052 and Article VII, section 2(a) of the
21 state Constitution.

22 (2) A public facilities district may provide for the retirement of
23 voter-approved general obligation bonds, issued for capital purposes
24 only, by levying bond retirement ad valorem property tax levies, in
25 excess of the one percent limitation, whenever authorized by the voters
26 of the district pursuant to Article VII, section 2(b) of the state
27 Constitution and RCW 84.52.056.

28 **Sec. 10.** RCW 67.38.130 and 1984 c 131 s 4 are each amended to read
29 as follows:

30 The governing body of a cultural arts, stadium and convention
31 district may levy or cause to levy the following ad valorem taxes:

32 (1) Regular ad valorem property tax levies in an amount equal to
33 twenty-five cents or less per thousand dollars of the assessed value of
34 property in the district in each year for six consecutive years when
35 specifically authorized so to do by a majority of at least three-fifths
36 of the electors thereof approving a proposition authorizing the levies
37 submitted at a general or special election, at which election the

1 number of persons voting "yes" on the proposition shall constitute
2 three-fifths of a number equal to forty percentum of the total votes
3 cast in such taxing district at the last preceding general election; or
4 by a majority of at least three-fifths of the electors thereof voting
5 on the proposition when the number of electors voting yes on the
6 proposition exceeds forty percentum of the total votes cast in such
7 taxing district in the last preceding general election. Ballot
8 propositions shall conform with RCW 29.30.111.

9 In the event a cultural arts, stadium and convention district is
10 levying property taxes, which in combination with property taxes levied
11 by other taxing districts subject to the (~~one percent~~) limitation
12 provided for in (~~Article VII, section 2, of our state Constitution~~)
13 RCW 84.52.050 result in taxes in excess of the limitation provided for
14 in RCW 84.52.043, the cultural arts, stadium and convention district
15 property tax levy shall be reduced or eliminated before the property
16 tax levies of other taxing districts are reduced: PROVIDED, That no
17 cultural arts, stadium, and convention district may pledge anticipated
18 revenues derived from the property tax herein authorized as security
19 for payments of bonds issued pursuant to subsection (1) of this
20 section: PROVIDED, FURTHER, That such limitation shall not apply to
21 property taxes approved pursuant to subsections (2) and (3) of this
22 section.

23 The limitation in RCW 84.55.010 shall apply to levies after the
24 first levy authorized under this section following the approval of such
25 levy by voters pursuant to this section.

26 (2) An annual excess ad valorem property tax for general district
27 purposes when authorized by the district voters in the manner
28 prescribed by (~~section 27~~) Article VII, section 2 of the state
29 Constitution and by RCW 84.52.052.

30 (3) Multi-year excess ad valorem property tax levies used to retire
31 general obligation bond issues when authorized by the district voters
32 in the manner prescribed by (~~section 27~~) Article VII, section 2 of
33 the state Constitution and by RCW 84.52.056.

34 The district shall include in its regular property tax levy for
35 each year a sum sufficient to pay the interest and principal on all
36 outstanding general obligation bonds issued without voter approval
37 pursuant to RCW 67.38.110 and may include a sum sufficient to create a
38 sinking fund for the redemption of all outstanding bonds.

1 **Sec. 11.** RCW 84.52.010 and 1995 2nd sp.s. c 13 s 4 are each
2 amended to read as follows:

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

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

16 When a county assessor finds that the aggregate rate of tax levy on
17 any property, that is subject to the limitations set forth in RCW
18 84.52.043 or 84.52.050, exceeds the limitations provided in either of
19 these sections, the assessor shall recompute and establish a
20 consolidated levy in the following manner:

21 (1) The full certified rates of tax levy for state, county, county
22 road district, and city or town purposes shall be extended on the tax
23 rolls in amounts not exceeding the limitations established by law;
24 however any state levy shall take precedence over all other levies and
25 shall not be reduced for any purpose other than that required by RCW
26 84.55.010. If, as a result of the levies imposed under RCW 84.52.069,
27 84.34.230, the portion of the levy by a metropolitan park district that
28 was protected under RCW 84.52.120, and 84.52.105, the combined rate of
29 regular property tax levies that are subject to the (~~one percent~~)
30 limitation under RCW 84.52.050 exceeds (~~one percent of the true and~~
31 ~~fair value of any property~~) the limitation under RCW 84.52.050, then
32 these levies shall be reduced as follows: (a) The portion of the levy
33 by a metropolitan park district that is protected under RCW 84.52.120
34 shall be reduced until the combined rate no longer exceeds (~~one~~
35 ~~percent of the true and fair value of any property~~) the limitation
36 under RCW 84.52.050 or shall be eliminated; (b) if the combined rate of
37 regular property tax levies that are subject to the (~~one percent~~)
38 limitation under RCW 84.52.050 still exceeds (~~one percent of the true~~
39 ~~and fair value of any property~~) the limitation under RCW 84.52.050,

1 then the levies imposed under RCW 84.34.230, 84.52.105, and any portion
2 of the levy imposed under RCW 84.52.069 that is in excess of thirty
3 cents per thousand dollars of assessed value, shall be reduced on a pro
4 rata basis until the combined rate no longer exceeds one percent of the
5 true and fair value of any property or shall be eliminated; and (c) if
6 the combined rate of regular property tax levies that are subject to
7 the one percent limitation still exceeds one percent of the true and
8 fair value of any property, then the thirty cents per thousand dollars
9 of assessed value of tax levy imposed under RCW 84.52.069 shall be
10 reduced until the combined rate no longer exceeds one percent of the
11 true and fair value of any property or eliminated.

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

16 (a) First, the certified property tax levy rates of those junior
17 taxing districts authorized under RCW 36.68.525, 36.69.145, and
18 67.38.130 shall be reduced on a pro rata basis or eliminated;

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

22 (c) Third, if the consolidated tax levy rate still exceeds these
23 limitations, the certified property tax levy rates of all other junior
24 taxing districts, other than fire protection districts, library
25 districts, the first fifty cent per thousand dollars of assessed
26 valuation levies for metropolitan park districts, and the first fifty
27 cent per thousand dollars of assessed valuation levies for public
28 hospital districts, shall be reduced on a pro rata basis or eliminated;

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

33 (e) Fifth, if the consolidated tax levy rate still exceeds these
34 limitations, the certified property tax levy rates authorized for fire
35 protection districts under RCW 52.16.130, library districts,
36 metropolitan park districts under their first fifty cent per thousand
37 dollars of assessed valuation levy, and public hospital districts under
38 their first fifty cent per thousand dollars of assessed valuation levy,
39 shall be reduced on a pro rata basis or eliminated.

1 In determining whether the aggregate rate of tax levy on any
2 property, that is subject to the limitations set forth in RCW
3 84.52.050, exceeds the limitations provided in that section, the
4 assessor shall use the hypothetical state levy, as apportioned to the
5 county under RCW 84.48.080, that was computed under RCW 84.48.080
6 without regard to the reduction under RCW 84.55.012.

7 **Sec. 12.** RCW 84.69.020 and 1994 c 301 s 55 are each amended to
8 read as follows:

9 On the order of the county treasurer, ad valorem taxes paid before
10 or after delinquency shall be refunded if they were:

11 (1) Paid more than once; or

12 (2) Paid as a result of manifest error in description; or

13 (3) Paid as a result of a clerical error in extending the tax
14 rolls; or

15 (4) Paid as a result of other clerical errors in listing property;
16 or

17 (5) Paid with respect to improvements which did not exist on
18 assessment date; or

19 (6) Paid under levies or statutes adjudicated to be illegal or
20 unconstitutional; or

21 (7) Paid as a result of mistake, inadvertence, or lack of knowledge
22 by any person exempted from paying real property taxes or a portion
23 thereof pursuant to RCW 84.36.381 through 84.36.389, as now or
24 hereafter amended; or

25 (8) Paid as a result of mistake, inadvertence, or lack of knowledge
26 by either a public official or employee or by any person with respect
27 to real property in which the person paying the same has no legal
28 interest; or

29 (9) Paid on the basis of an assessed valuation which was appealed
30 to the county board of equalization and ordered reduced by the board;
31 or

32 (10) Paid on the basis of an assessed valuation which was appealed
33 to the state board of tax appeals and ordered reduced by the board:
34 PROVIDED, That the amount refunded under subsections (9) and (10) of
35 this section shall only be for the difference between the tax paid on
36 the basis of the appealed valuation and the tax payable on the
37 valuation adjusted in accordance with the board's order; or

1 (11) Paid as a state property tax levied upon property, the
2 assessed value of which has been established by the state board of tax
3 appeals for the year of such levy: PROVIDED, HOWEVER, That the amount
4 refunded shall only be for the difference between the state property
5 tax paid and the amount of state property tax which would, when added
6 to all other property taxes within the (~~one percent~~) limitation of
7 Article VII, section 2 of the state Constitution equal (~~one percent~~)
8 the percentage under RCW 84.52.050 of the assessed value established by
9 the board;

10 (12) Paid on the basis of an assessed valuation which was
11 adjudicated to be unlawful or excessive: PROVIDED, That the amount
12 refunded shall be for the difference between the amount of tax which
13 was paid on the basis of the valuation adjudged unlawful or excessive
14 and the amount of tax payable on the basis of the assessed valuation
15 determined as a result of the proceeding; or

16 (13) Paid on property acquired under RCW 84.60.050, and canceled
17 under RCW 84.60.050(2).

18 No refunds under the provisions of this section shall be made
19 because of any error in determining the valuation of property, except
20 as authorized in subsections (9), (10), (11), and (12) of this section
21 nor may any refunds be made if a bona fide purchaser has acquired
22 rights that would preclude the assessment and collection of the
23 refunded tax from the property that should properly have been charged
24 with the tax. Any refunds made on delinquent taxes shall include the
25 proportionate amount of interest and penalties paid. The county
26 treasurer may deduct from moneys collected for the benefit of the
27 state's levy, refunds of the state levy including interest on the levy
28 as provided by this section and chapter 84.68 RCW.

29 The county treasurer of each county shall make all refunds
30 determined to be authorized by this section, and by the first Monday in
31 January of each year, report to the county legislative authority a list
32 of all refunds made under this section during the previous year. The
33 list is to include the name of the person receiving the refund, the
34 amount of the refund, and the reason for the refund.

35 Renumber the remaining sections and correct any internal references
36 accordingly.

1 **SB 6118** - S Amd to 4064.2/96 (2nd Draft) - 002
2 By Senators Swecker, McCaslin and Strannigan

3 On page 1, line 3 of the title after "amending RCW" strike the
4 remainder of the title and insert "84.52.065; 84.52.043; 84.52.050;
5 36.58.150; 36.60.040; 36.69.145; 36.73.060; 36.83.030; 36.100.050;
6 67.38.130; 84.69.020; reenacting and amending RCW 43.84.092; and
7 declaring an emergency."

--- END ---

EFFECT: Replaces 5% reduction with 6 year phase out.