

2 **SB 5835** - S AMD - 042
3 By Senator Hargrove

4 NOT ADOPTED, ROLL CALL VOTE 21-28; 2/21/97

5 On page 34, after line 24, strike all of new section 301 and insert
6 the following:

7 **Sec. 301.** 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 1997, and before;

21 (b) Three dollars and twenty-four cents per thousand dollars of
22 assessed value for taxes levied for collection in 1998;

23 (c) Two dollars and eighty-eight cents per thousand dollars of
24 assessed value for taxes levied for collection in 1999;

25 (d) Two dollars and fifty-two cents per thousand dollars of
26 assessed value for taxes levied for collection in 2000;

27 (e) Two dollars and sixteen cents per thousand dollars of assessed
28 value for taxes levied for collection in 2001; and

29 (f) One dollar and eighty cents per thousand dollars of assessed
30 value for taxes levied for collection in 2002; and

31 (g) One dollar and forty-four cents per thousand dollars of
32 assessed value for taxes levied for collection in 2003; and

33 (h) One dollar and eight cents per thousand dollars of assessed
34 value for taxes levied for collection in 2004; and

35 (i) Seventy-two cents per thousand dollars of assessed value for
36 taxes levied for collection in 2005; and

1 (j) Thirty-six cents per thousand dollars of assessed value for
2 taxes levied for collection in 2006; and

3 (k) No tax may be levied under this section for taxes levied for
4 collection in 2007 and thereafter.

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

8 **Sec. 302.** RCW 84.52.043 and 1995 c 99 s 3 are each amended to read
9 as follows:

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

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

32 (2) The aggregate levies of junior taxing districts and senior
33 taxing districts, other than the state, shall not exceed five dollars
34 and ninety cents per thousand dollars of assessed valuation. The term
35 "junior taxing districts" includes all taxing districts other than the
36 state, counties, road districts, cities, towns, port districts, and
37 public utility districts. The limitations provided in this subsection
38 shall not apply to: (a) Levies at the rates provided by existing law

1 by or for any port or public utility district; (b) excess property tax
2 levies authorized in Article VII, section 2 of the state Constitution;
3 (c) levies for acquiring conservation futures as authorized under RCW
4 84.34.230; (d) levies for emergency medical care or emergency medical
5 services imposed under RCW 84.52.069; (e) levies to finance affordable
6 housing for very low-income housing imposed under RCW 84.52.105; and
7 (f) the portions of levies by metropolitan park districts that are
8 protected under RCW 84.52.120.

9 **Sec. 303.** RCW 84.52.050 and 1973 1st ex.s. c 194 s 1 are each
10 amended to read as follows:

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

16 (a) For taxes levied for collection in 1997, and before, 1.0
17 percent;

18 (b) For taxes levied for collection in 1998, 0.964 percent;

19 (c) For taxes levied for collection in 1999, 0.928 percent;

20 (d) For taxes levied for collection in 2000, 0.892 percent;

21 (e) For taxes levied for collection in 2001, 0.856 percent;

22 (f) For taxes levied for collection in 2002, 0.820 percent;

23 (g) For taxes levied for collection in 2003, 0.784 percent;

24 (h) For taxes levied for collection in 2004, 0.748 percent;

25 (i) For taxes levied for collection in 2005, 0.712 percent;

26 (j) For taxes levied for collection in 2006, 0.676 percent; and

27 (k) For taxes levied for collection in 2007 and thereafter, 0.64
28 percent.

29 (2) Nothing herein shall prevent levies at the rates now provided
30 by law by or for any port or public utility district. The term "taxing
31 district" for the purposes of this section shall mean any political
32 subdivision, municipal corporation, district, or other governmental
33 agency authorized by law to levy, or have levied for it, ad valorem
34 taxes on property, other than a port or public utility district. Such
35 aggregate limitation or any specific limitation imposed by law in
36 conformity therewith may be exceeded only as authorized by law and in
37 conformity with the provisions of Article VII, section 2(a), (b), or
38 (c) of the Constitution of the state of Washington.

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

6 **Sec. 304.** RCW 36.58.150 and 1984 c 186 s 25 are each amended to
7 read as follows:

8 (1) A solid waste disposal district shall not have the power to
9 levy an annual levy without voter approval, but it shall have the power
10 to levy a tax, in excess of the (~~one percent~~) limitation in RCW
11 84.52.050, upon the property within the district for a one year period
12 to be used for operating or capital purposes whenever authorized by the
13 electors of the district pursuant to RCW 84.52.052 and Article VII,
14 section 2(a) of the state Constitution.

15 A solid waste disposal district may issue general obligation bonds
16 for capital purposes only, subject to the limitations prescribed in RCW
17 39.36.020(1), and may provide for the retirement of the bonds by voter-
18 approved bond retirement tax levies pursuant to Article VII, section
19 2(b) of the state Constitution and RCW 84.52.056. Such general
20 obligation bonds shall be issued and sold in accordance with chapter
21 39.46 RCW.

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

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

27 **Sec. 305.** RCW 36.60.040 and 1983 c 303 s 11 are each amended to
28 read as follows:

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

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

36 (2) Provide for the retirement of voter approved general obligation
37 bonds, issued for capital purposes only, by levying bond retirement ad

1 valorem property tax levies, in excess of the one percent limitation,
2 whenever authorized by the voters of the district pursuant to Article
3 VII, section 2(b) of the state Constitution and RCW 84.52.056.

4 **Sec. 306.** RCW 36.69.145 and 1994 c 156 s 3 are each amended to
5 read as follows:

6 (1) A park and recreation district may impose regular property tax
7 levies in an amount equal to sixty cents or less per thousand dollars
8 of assessed value of property in the district in each year for six
9 consecutive years when specifically authorized so to do by a majority
10 of at least three-fifths of the voters thereof approving a proposition
11 authorizing the levies submitted at a special election or at the
12 regular election of the district, at which election the number of
13 voters voting "yes" on the proposition shall constitute three-fifths of
14 a number equal to forty per centum of the number of voters voting in
15 such district at the last preceding general election when the number of
16 voters voting on the proposition does not exceed forty per centum of
17 the number of voters voting in such taxing district in the last
18 preceding general election; or by a majority of at least three-fifths
19 of the voters thereof voting on the proposition if the number of voters
20 voting on the proposition exceeds forty per centum of the number of
21 voters voting in such taxing district in the last preceding general
22 election. A proposition authorizing the tax levies shall not be
23 submitted by a park and recreation district more than twice in any
24 twelve-month period. Ballot propositions shall conform with RCW
25 29.30.111. In the event a park and recreation district is levying
26 property taxes, which in combination with property taxes levied by
27 other taxing districts subject to the ~~((one percent))~~ limitation
28 provided for in ~~((Article 7, section 2, of our state Constitution))~~ RCW
29 84.52.050 result in taxes in excess of the limitation provided for in
30 RCW 84.52.043, the park and recreation district property tax levy shall
31 be reduced or eliminated before the property tax levies of other taxing
32 districts are reduced.

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

36 **Sec. 307.** RCW 36.73.060 and 1987 c 327 s 6 are each amended to
37 read as follows:

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

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

12 **Sec. 308.** RCW 36.83.030 and 1983 c 130 s 3 are each amended to
13 read as follows:

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

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

25 **Sec. 309.** RCW 36.100.050 and 1988 ex.s. c 1 s 15 are each amended
26 to read as follows:

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

33 (2) A public facilities district may provide for the retirement of
34 voter-approved general obligation bonds, issued for capital purposes
35 only, by levying bond retirement ad valorem property tax levies, in
36 excess of the one percent limitation, whenever authorized by the voters

1 of the district pursuant to Article VII, section 2(b) of the state
2 Constitution and RCW 84.52.056.

3 **Sec. 310.** RCW 67.38.130 and 1984 c 131 s 4 are each amended to
4 read as follows:

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

7 (1) Regular ad valorem property tax levies in an amount equal to
8 twenty-five cents or less per thousand dollars of the assessed value of
9 property in the district in each year for six consecutive years when
10 specifically authorized so to do by a majority of at least three-fifths
11 of the electors thereof approving a proposition authorizing the levies
12 submitted at a general or special election, at which election the
13 number of persons voting "yes" on the proposition shall constitute
14 three-fifths of a number equal to forty percentum of the total votes
15 cast in such taxing district at the last preceding general election; or
16 by a majority of at least three-fifths of the electors thereof voting
17 on the proposition when the number of electors voting yes on the
18 proposition exceeds forty percentum of the total votes cast in such
19 taxing district in the last preceding general election. Ballot
20 propositions shall conform with RCW 29.30.111.

21 In the event a cultural arts, stadium and convention district is
22 levying property taxes, which in combination with property taxes levied
23 by other taxing districts subject to the ~~((one percent))~~ limitation
24 provided for in ~~((Article VII, section 2, of our state Constitution))~~
25 RCW 84.52.050 result in taxes in excess of the limitation provided for
26 in RCW 84.52.043, the cultural arts, stadium and convention district
27 property tax levy shall be reduced or eliminated before the property
28 tax levies of other taxing districts are reduced: PROVIDED, That no
29 cultural arts, stadium, and convention district may pledge anticipated
30 revenues derived from the property tax herein authorized as security
31 for payments of bonds issued pursuant to subsection (1) of this
32 section: PROVIDED, FURTHER, That such limitation shall not apply to
33 property taxes approved pursuant to subsections (2) and (3) of this
34 section.

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

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

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

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

14 **Sec. 311.** RCW 84.52.010 and 1995 2nd sp.s. c 13 s 4 are each
15 amended to read as follows:

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

18 The rate percent of all taxes for state and county purposes, and
19 purposes of taxing districts coextensive with the county, shall be
20 determined, calculated and fixed by the county assessors of the
21 respective counties, within the limitations provided by law, upon the
22 assessed valuation of the property of the county, as shown by the
23 completed tax rolls of the county, and the rate percent of all taxes
24 levied for purposes of taxing districts within any county shall be
25 determined, calculated and fixed by the county assessors of the
26 respective counties, within the limitations provided by law, upon the
27 assessed valuation of the property of the taxing districts
28 respectively.

29 When a county assessor finds that the aggregate rate of tax levy on
30 any property, that is subject to the limitations set forth in RCW
31 84.52.043 or 84.52.050, exceeds the limitations provided in either of
32 these sections, the assessor shall recompute and establish a
33 consolidated levy in the following manner:

34 (1) The full certified rates of tax levy for state, county, county
35 road district, and city or town purposes shall be extended on the tax
36 rolls in amounts not exceeding the limitations established by law;
37 however any state levy shall take precedence over all other levies and
38 shall not be reduced for any purpose other than that required by RCW

1 84.55.010. If, as a result of the levies imposed under RCW 84.52.069,
2 84.34.230, the portion of the levy by a metropolitan park district that
3 was protected under RCW 84.52.120, and 84.52.105, the combined rate of
4 regular property tax levies that are subject to the ~~((one percent))~~
5 limitation under RCW 84.52.050 exceeds ~~((one percent of the true and~~
6 ~~fair value of any property))~~ the limitation under RCW 84.52.050, then
7 these levies shall be reduced as follows: (a) The portion of the levy
8 by a metropolitan park district that is protected under RCW 84.52.120
9 shall be reduced until the combined rate no longer exceeds ~~((one~~
10 ~~percent of the true and fair value of any property))~~ the limitation
11 under RCW 84.52.050 or shall be eliminated; (b) if the combined rate of
12 regular property tax levies that are subject to the ~~((one percent))~~
13 limitation under RCW 84.52.050 still exceeds ~~((one percent of the true~~
14 ~~and fair value of any property))~~ the limitation under RCW 84.52.050,
15 then the levies imposed under RCW 84.34.230, 84.52.105, and any portion
16 of the levy imposed under RCW 84.52.069 that is in excess of thirty
17 cents per thousand dollars of assessed value, shall be reduced on a pro
18 rata basis until the combined rate no longer exceeds one percent of the
19 true and fair value of any property or shall be eliminated; and (c) if
20 the combined rate of regular property tax levies that are subject to
21 the one percent limitation still exceeds one percent of the true and
22 fair value of any property, then the thirty cents per thousand dollars
23 of assessed value of tax levy imposed under RCW 84.52.069 shall be
24 reduced until the combined rate no longer exceeds one percent of the
25 true and fair value of any property or eliminated.

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

30 (a) First, the certified property tax levy rates of those junior
31 taxing districts authorized under RCW 36.68.525, 36.69.145, and
32 67.38.130 shall be reduced on a pro rata basis or eliminated;

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

36 (c) Third, if the consolidated tax levy rate still exceeds these
37 limitations, the certified property tax levy rates of all other junior
38 taxing districts, other than fire protection districts, library
39 districts, the first fifty cent per thousand dollars of assessed

1 valuation levies for metropolitan park districts, and the first fifty
2 cent per thousand dollars of assessed valuation levies for public
3 hospital districts, shall be reduced on a pro rata basis or eliminated;

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

8 (e) Fifth, if the consolidated tax levy rate still exceeds these
9 limitations, the certified property tax levy rates authorized for fire
10 protection districts under RCW 52.16.130, library districts,
11 metropolitan park districts under their first fifty cent per thousand
12 dollars of assessed valuation levy, and public hospital districts under
13 their first fifty cent per thousand dollars of assessed valuation levy,
14 shall be reduced on a pro rata basis or eliminated.

15 In determining whether the aggregate rate of tax levy on any
16 property, that is subject to the limitations set forth in RCW
17 84.52.050, exceeds the limitations provided in that section, the
18 assessor shall use the hypothetical state levy, as apportioned to the
19 county under RCW 84.48.080, that was computed under RCW 84.48.080
20 without regard to the reduction under RCW 84.55.012.

21 **Sec. 312.** RCW 84.69.020 and 1994 c 301 s 55 are each amended to
22 read as follows:

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

25 (1) Paid more than once; or

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

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

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

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

33 (6) Paid under levies or statutes adjudicated to be illegal or
34 unconstitutional; or

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

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

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

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

14 (11) Paid as a state property tax levied upon property, the
15 assessed value of which has been established by the state board of tax
16 appeals for the year of such levy: PROVIDED, HOWEVER, That the amount
17 refunded shall only be for the difference between the state property
18 tax paid and the amount of state property tax which would, when added
19 to all other property taxes within the (~~one percent~~) limitation of
20 Article VII, section 2 of the state Constitution equal (~~one percent~~)
21 the percentage under RCW 84.52.050 of the assessed value established by
22 the board;

23 (12) Paid on the basis of an assessed valuation which was
24 adjudicated to be unlawful or excessive: PROVIDED, That the amount
25 refunded shall be for the difference between the amount of tax which
26 was paid on the basis of the valuation adjudged unlawful or excessive
27 and the amount of tax payable on the basis of the assessed valuation
28 determined as a result of the proceeding; or

29 (13) Paid on property acquired under RCW 84.60.050, and canceled
30 under RCW 84.60.050(2).

31 No refunds under the provisions of this section shall be made
32 because of any error in determining the valuation of property, except
33 as authorized in subsections (9), (10), (11), and (12) of this section
34 nor may any refunds be made if a bona fide purchaser has acquired
35 rights that would preclude the assessment and collection of the
36 refunded tax from the property that should properly have been charged
37 with the tax. Any refunds made on delinquent taxes shall include the
38 proportionate amount of interest and penalties paid. The county
39 treasurer may deduct from moneys collected for the benefit of the

1 state's levy, refunds of the state levy including interest on the levy
2 as provided by this section and chapter 84.68 RCW.

3 The county treasurer of each county shall make all refunds
4 determined to be authorized by this section, and by the first Monday in
5 January of each year, report to the county legislative authority a list
6 of all refunds made under this section during the previous year. The
7 list is to include the name of the person receiving the refund, the
8 amount of the refund, and the reason for the refund.-

9 **SB 5835** - S AMD - 042
10 By Senator Hargrove

11 NOT ADOPTED, ROLL CALL VOTE 21-28; 2/21/97

12 On page 1, line 8 of the title, after "84.08.115," strike the
13 remainder of the title and insert "84.55.120, 84.52.065, 84.52.043,
14 84.52.050, 36.58.150, 36.60.040, 36.69.145, 36.73.060, 36.83.030,
15 36.100.050, 67.38.130, 84.52.010, and 84.69.020; adding a new section
16 to chapter 84.04 RCW; adding a new section to chapter 84.40 RCW; adding
17 new sections to chapter 84.55 RCW; creating new sections; repealing RCW
18 84.55.---; repealing 1997 c 2 s 5 (uncodified); and providing for
19 submission of this act to a vote of the people."

--- END ---

EFFECT: This amendment gets the State out of the property
taxing business. By scaling down 10% per year for 10 years until the
state collects no property taxes, and removing that taxation authority
as we go, so then that money cannot be collected by some other
jurisdiction, we actually reduce taxpayers' property tax burden each
year.