

FINAL BILL REPORT

SHB 1277

C 239 L 97

Synopsis as Enacted

Brief Description: Providing for confidentiality of property tax information.

Sponsors: By House Committee on Finance (originally sponsored by Representatives B. Thomas, Dunshee, Carrell, Thompson and D. Schmidt; by request of Department of Revenue).

House Committee on Finance
Senate Committee on Ways & Means

Background: Generally, information held by a public agency is available for inspection and copying. There are a number of exemptions to the public records disclosure requirements. Many of these exemptions relate to personal information and proprietary business information.

A county assessor's records related to real property tax valuations are open to public inspection. However, confidential income data obtained by the assessor is not available for inspection.

Owners of personal property subject to property tax are required to provide the county assessor with a list of the property. The county assessor may inspect business records and accounts to determine the amount and value of personal property. Generally, the assessor may use this information only for valuing the property and cannot disclose the information except with the permission of the owner. However, the assessor may share this information with the Department of Revenue for the purpose of determining sales or use tax liability. The information may be used in a court action related to penalties for failure to provide a list of personal property or providing a false list, a court action regarding the value of the property, or a court action related to sales or use taxes on the property. Violation of the disclosure provisions is a gross misdemeanor.

The Department of Revenue is responsible for establishing values for multi-county utilities such as railroad companies, light and power companies, airline companies, gas companies and others. These companies are required to file reports containing proprietary business information. The Department of Revenue uses this information to determine the value of the company's real and personal property. The department may also inspect the company's books, accounts and other records.

A property tax exemption is available for emergency or transitional housing for low income homeless persons. Low income means income below 80 percent of median income. Applications with the Department of Revenue for exemption may contain information on persons using these facilities.

Summary: Information obtained by assessors about personal property may be used in administrative proceedings regarding the value of the property, sales and use tax due on the property, or penalties for failure to provide a list of the personal property or providing a false list. The Department of Revenue is made subject to the same penalty as the assessor for violation of the disclosure laws.

Confidential income data and proprietary business information obtained by the Department of Revenue in administering the property tax laws may not be disclosed. Exceptions to this disclosure prohibition permit disclosure:

1. to a county assessor or treasurer;
2. in a civil, criminal or administrative proceeding regarding taxes, penalties or valuation;
3. with written permission of the taxpayer;
4. to a property tax official in a state which provides Washington officials the same privilege;
5. of information held by another agency as a public record; and
6. to a peace officer or county prosecutor in response to a search warrant, subpoena or court order.

Also exempt from public disclosure are names of individuals residing in emergency or transitional housing, where the names have been furnished to the Department of Revenue to substantiate a property tax exemption.

Votes on Final Passage:

House 97 0
Senate 45 0 (Senate amended)
House 89 0 (House concurred)

Effective: July 27, 1997