

# HB 2985

## Bill Analysis

February 2, 1998

**Brief Description:** Prescribing notice requirements for property taxes.

**Bill Sponsors:** Representative Smith.

**Staff:** Rick Peterson, 786-7150.

**Background:** All real and personal property in this state is subject to the property tax each year based on its value unless a specific exemption is provided by law. The tax bill is determined by multiplying the assessed value by the tax rate for each taxing district in which the property is located.

Each year the county assessor develops an assessment roll. This is a list of properties in the county. Included on the list is a description of the property, the true and fair value, and assessed value of the improvements and the land.

Property taxes are collected by the county treasurer in which the property is located. The county treasurer is required to notify the taxpayer of the amount of tax owed. The following information is required: the value of the real and personal property, the amount of current and delinquent property tax, the name and amount for each district levying a tax, and the amount of voter approved taxes.

The treasurer sends the tax bill to the property owner or the financial institution paying the tax in cases where the owner has taxes paid from an account kept by that institution.

Property taxes are due on April 30 each year. If one half the tax is paid by April 30, then the other half is due on October 31. However, if the first half property tax payment is not made on time, the entire tax is delinquent and interest is charged at the rate of 12 percent per year (1 percent per month). A 3 percent penalty is charged on taxes delinquent on June 1<sup>st</sup>. An additional 8 percent penalty is charged on taxes delinquent on December 1<sup>st</sup>.

**Summary of Bill:** The assessor is required to include the name of the property owner and the name of the taxpayer for each tract or lot listed on the assessment roll.

The county treasurer is required to include on the property tax bill information about interest

and penalties on late payments.

The county treasurer is required to send a copy of the tax bill to the property owner if the tax bill is sent to a financial institution responsible for paying the tax.

**Appropriation:** None.

**Fiscal Note:** State fiscal note available, Local fiscal note requested.

**Effective Date:** Ninety days after adjournment of session in which the bill is passed.