

SENATE BILL REPORT

SHB 1003

As Reported By Senate Committee On:
Ways & Means, February 27, 1997

Title: An act relating to deferral of property taxes by senior citizens and disabled persons.

Brief Description: Defining "local government" and "special assessment" for the purposes of tax deferrals for senior citizens and disabled persons.

Sponsors: House Committee on Finance (originally sponsored by Representatives Pennington, Hatfield, Mielke, Thompson, Cole, DeBolt, D. Sommers, Conway, Boldt, Alexander, Schoesler, Kessler, Bush, Smith, Dyer and O'Brien).

Brief History:

Committee Activity: Ways & Means: 2/20/97, 2/27/97 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators West, Chair; Deccio, Vice Chair; Strannigan, Vice Chair; Bauer, Brown, Fraser, Hochstatter, Kohl, Long, Loveland, McDonald, Rossi, Schow, Snyder, Spanel, Swecker, Thibaudeau, Winsley and Zarelli.

Staff: Terry Wilson (786-7433)

Background: Cities, counties, or other municipal corporations may impose special assessments for a variety of purposes such as road or sewer improvements. Special assessments are charges or obligations imposed upon property specially benefitted by a local improvement.

Senior citizens and persons who are retired from regular employment because of physical disability are eligible for property tax relief on their personal residences. If the person is at least 60 years old or is retired from regular employment because of physical disability, and the person's disposable household income is \$34,000 or less, the person is entitled to defer any property taxes and special benefit assessments imposed on the property. Under current administrative practice, special assessments associated with physical improvements may be deferred, but special assessments imposed for less tangible benefits, such as weed or mosquito control, may not be deferred.

Summary of Bill: Special assessments are redefined as charges or obligations imposed on property specially benefitted. The language linking special assessments to local improvements is removed. Therefore, any special assessment may be deferred.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: There has been some confusion over which special assessments may be deferred. This clarifies that all special assessments may be deferred.

Testimony Against: None.

Testified: PRO: Rose Bowman, WA State Assn. of County Treasurers; Peri Maxey, Dept of Revenue.