
SENATE BILL 6697

State of Washington

55th Legislature

1998 Regular Session

By Senator McCaslin

Read first time 01/27/98. Referred to Committee on Government Operations.

1 AN ACT Relating to renaming the county board of equalization as the
2 county board of tax appeals; and amending RCW 84.48.010, 84.48.014,
3 84.48.018, 84.48.022, 84.48.034, 84.48.036, 84.48.038, 84.48.042,
4 84.48.046, 84.48.065, 84.48.080, 84.48.150, 84.48.200, 52.16.030,
5 68.52.290, 82.03.130, 82.29A.060, 84.08.010, 84.08.020, 84.08.030,
6 84.08.060, 84.08.130, 84.14.020, 84.14.110, 84.26.130, 84.33.116,
7 84.33.118, 84.33.120, 84.33.130, 84.33.140, 84.34.035, 84.34.108,
8 84.36.812, 84.38.040, 84.40.038, 84.40.045, 84.40.085, 84.40.150,
9 84.40.160, 84.40.320, 84.56.290, 84.56.430, 84.69.020, 84.70.010, and
10 89.30.394.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

12 **Sec. 1.** RCW 84.48.010 and 1997 c 3 s 109 (Referendum Bill No. 47)
13 are each amended to read as follows:

14 Prior to July 15th, the county legislative authority shall form a
15 board of tax appeals for the equalization of the assessment of the
16 property of the county. The members of ((said)) the board shall
17 receive a per diem amount as set by the county legislative authority
18 for each day of actual attendance of the meeting of the board of
19 ((equalization)) tax appeals to be paid out of the current expense fund

1 of the county: PROVIDED, That when the county legislative authority
2 constitute the board they shall only receive their compensation as
3 members of the county legislative authority. The board of
4 ((equalization)) tax appeals shall meet in open session for this
5 purpose annually on the 15th day of July and, having each taken an oath
6 fairly and impartially to perform their duties as members of such
7 board, they shall examine and compare the returns of the assessment of
8 the property of the county and proceed to equalize the same, so that
9 the appraised value of each tract or lot of real property and each
10 article or class of personal property shall be entered on the
11 assessment list at its true and fair value, according to the measure of
12 value used by the county assessor in such assessment year, and so that
13 the assessed value of each tract or lot of real property is entered on
14 the assessment list at its correct amount, and subject to the following
15 rules:

16 First. They shall raise the appraised valuation of each tract or
17 lot or item of real property which is returned below its true and fair
18 value to such price or sum as to be the true and fair value thereof,
19 and raise the assessed valuation of each tract or lot or item of real
20 property which is returned below its correct amount to the correct
21 amount after at least five days' notice shall have been given in
22 writing to the owner or agent.

23 Second. They shall reduce the appraised valuation of each tract or
24 lot or item which is returned above its true and fair value to such
25 price or sum as to be the true and fair value thereof and reduce the
26 assessed valuation of each tract or lot or item of real property which
27 is returned above its correct amount to the correct amount.

28 Third. They shall raise the valuation of each class of personal
29 property which is returned below its true and fair value to such price
30 or sum as to be the true and fair value thereof, and they shall raise
31 the aggregate value of the personal property of each individual
32 whenever the aggregate value is less than the true valuation of the
33 taxable personal property possessed by such individual, to such sum or
34 amount as to be the true value thereof, after at least five days'
35 notice shall have been given in writing to the owner or agent thereof.

36 Fourth. They shall reduce the valuation of each class of personal
37 property enumerated on the detail and assessment list of the current
38 year, which is returned above its true and fair value, to such price or
39 sum as to be the true and fair value thereof; and they shall reduce the

1 aggregate valuation of the personal property of such individual who has
2 been assessed at too large a sum to such sum or amount as was the true
3 and fair value of the personal property.

4 Fifth. The board may review all claims for either real or personal
5 property tax exemption as determined by the county assessor, and shall
6 consider any taxpayer appeals from the decision of the assessor thereon
7 to determine (1) if the taxpayer is entitled to an exemption, and (2)
8 if so, the amount thereof.

9 The clerk of the board shall keep an accurate journal or record of
10 the proceedings and orders of ~~((said))~~ the board showing the facts and
11 evidence upon which their action is based, and the ~~((said))~~ record
12 shall be published the same as other proceedings of county legislative
13 authority, and shall make a true record of the changes of the
14 descriptions and appraised values ordered by the county board of
15 ~~((equalization))~~ tax appeals. The assessor shall recalculate assessed
16 values and correct the real and personal assessment rolls in accordance
17 with the changes made by the ~~((said))~~ county board of ~~((equalization))~~
18 tax appeals, and the assessor shall make duplicate abstracts of such
19 corrected values, one copy of which shall be retained in the office,
20 and one copy forwarded to the department of revenue on or before the
21 eighteenth day of August next following the meeting of the county board
22 of ~~((equalization))~~ tax appeals.

23 The county board of ~~((equalization))~~ tax appeals shall meet on the
24 15th day of July and may continue in session and adjourn from time to
25 time during a period not to exceed four weeks, but shall remain in
26 session not less than three days: PROVIDED, That the county board of
27 ~~((equalization))~~ tax appeals with the approval of the county
28 legislative authority may convene at any time when petitions filed
29 exceed twenty-five, or ten percent of the number of appeals filed in
30 the preceding year, whichever is greater.

31 No taxes, except special taxes, shall be extended upon the tax
32 rolls until the property valuations are equalized by the department of
33 revenue for the purpose of raising the state revenue.

34 County legislative authorities as such shall at no time have any
35 authority to change the valuation of the property of any person or to
36 release or commute in whole or in part the taxes due on the property of
37 any person.

1 **Sec. 2.** RCW 84.48.014 and 1988 c 222 s 21 are each amended to read
2 as follows:

3 The board of ((equalization)) tax appeals of each county shall
4 consist of not less than three nor more than seven members including
5 alternates. Such members shall be appointed by a majority of the
6 members of the county legislative authority, and shall be selected
7 based upon the qualifications established by rule by the department of
8 revenue and shall not be a holder of any elective office nor be an
9 employee of any elected official: PROVIDED, HOWEVER, The county
10 legislative authority may itself constitute the board at its
11 discretion. Any member who does not attend the school required by RCW
12 84.48.042 within one year of appointment or reappointment shall be
13 barred from serving as a member of the board of ((equalization)) tax
14 appeals unless this requirement is waived for the member by the
15 department for just cause.

16 **Sec. 3.** RCW 84.48.018 and 1970 ex.s. c 55 s 4 are each amended to
17 read as follows:

18 The members of each board of ((equalization)) tax appeals shall
19 meet and choose a chairman. A majority of the board shall constitute
20 a quorum.

21 **Sec. 4.** RCW 84.48.022 and 1994 c 124 s 26 are each amended to read
22 as follows:

23 All meetings of the board of ((equalization)) tax appeals shall be
24 held at the county courthouse, or other suitable place within the
25 county, and the county legislative authority shall make provision for
26 a suitable meeting place.

27 **Sec. 5.** RCW 84.48.034 and 1994 c 301 s 47 are each amended to read
28 as follows:

29 The board of ((equalization)) tax appeals may enter an order that
30 has effect up to the end of the assessment cycle used by the assessor,
31 if there has been no intervening change in the value during that time.

32 **Sec. 6.** RCW 84.48.036 and 1994 c 124 s 30 are each amended to read
33 as follows:

34 The county legislative authority may provide an adequate annual
35 budget and funds for operation and needs of the board of

1 ((equalization)) tax appeals, including, but not limited to the costs
2 and expenses of the board, such as the meeting place, the necessary
3 equipment and facilities, materials, the salaries of the clerk of the
4 board and the clerk's assistants, the expenses of the members of the
5 board during the sessions, travel, in-service training, and payment of
6 salaries of all such employees hired by the board, to facilitate its
7 work.

8 **Sec. 7.** RCW 84.48.038 and 1970 ex.s. c 55 s 10 are each amended to
9 read as follows:

10 The prosecuting attorney of each county shall serve as legal
11 advisor to the board of ((equalization)) tax appeals.

12 **Sec. 8.** RCW 84.48.042 and 1988 c 222 s 22 are each amended to read
13 as follows:

14 The department of revenue shall establish a school for the training
15 of members of the several boards of ((equalization)) tax appeals
16 throughout the state. Sessions of such schools shall, so far as
17 practicable, be held in each district of the Washington state
18 association of counties. Every member of the board of ((equalization))
19 tax appeals of each county shall attend such school within one year
20 following appointment or reappointment.

21 **Sec. 9.** RCW 84.48.046 and 1970 ex.s. c 55 s 12 are each amended to
22 read as follows:

23 The department of revenue shall provide a manual for the operation
24 procedures of the several boards of ((equalization)) tax appeals so
25 that uniformity of assessment may be obtained throughout the state, and
26 the several boards of ((equalization)) tax appeals shall follow such
27 manual in all of its operations and procedures.

28 **Sec. 10.** RCW 84.48.065 and 1997 c 3 s 110 (Referendum Bill No. 47)
29 are each amended to read as follows:

30 (1) The county assessor or treasurer may cancel or correct
31 assessments on the assessment or tax rolls which are erroneous due to
32 manifest errors in description, double assessments, clerical errors in
33 extending the rolls, clerical errors in calculating the assessed value
34 under RCW 84.40.0305, and such manifest errors in the listing of the
35 property which do not involve a revaluation of property, except in the

1 case that a taxpayer produces proof that an authorized land use
2 authority has made a definitive change in the property's land use
3 designation. In such a case, correction of the assessment or tax rolls
4 may be made notwithstanding the fact that the action involves a
5 revaluation of property. Manifest errors that do not involve a
6 revaluation of property include the assessment of property exempted by
7 law from taxation or the failure to deduct the exemption allowed by law
8 to the head of a family. When the county assessor cancels or corrects
9 an assessment, the assessor shall send a notice to the taxpayer in
10 accordance with RCW 84.40.045, advising the taxpayer that the action
11 has been taken and notifying the taxpayer of the right to appeal the
12 cancellation or correction to the county board of ~~((equalization))~~ tax
13 appeals, in accordance with RCW 84.40.038. When the county assessor or
14 treasurer cancels or corrects an assessment, a record of such action
15 shall be prepared, setting forth therein the facts relating to the
16 error. The record shall also set forth by legal description all
17 property belonging exclusively to the state, any county, or any
18 municipal corporation whose property is exempt from taxation, upon
19 which there remains, according to the tax roll, any unpaid taxes. No
20 manifest error cancellation or correction, including a cancellation or
21 correction made due to a definitive change of land use designation,
22 shall be made for any period more than three years preceding the year
23 in which the error is discovered.

24 (2)(a) In the case of a definitive change of land use designation,
25 an assessor shall make corrections that involve a revaluation of
26 property to the assessment roll when:

27 (i) The assessor and taxpayer have signed an agreement as to the
28 true and fair value of the taxpayer's property setting forth in the
29 agreement the valuation information upon which the agreement is based;
30 and

31 (ii) The assessment roll has previously been certified in
32 accordance with RCW 84.40.320.

33 (b) In all other cases, an assessor shall make corrections that
34 involve a revaluation of property to the assessment roll when:

35 (i) The assessor and taxpayer have signed an agreement as to the
36 true and fair value of the taxpayer's property setting forth in the
37 agreement the valuation information upon which the agreement is based;
38 and

39 (ii) The following conditions are met:

1 (A) The assessment roll has previously been certified in accordance
2 with RCW 84.40.320;

3 (B) The taxpayer has timely filed a petition with the county board
4 of ((equalization)) tax appeals pursuant to RCW 84.40.038 for the
5 current assessment year;

6 (C) The county board of ((equalization)) tax appeals has not yet
7 held a hearing on the merits of the taxpayer's petition.

8 (3) The assessor shall issue a supplementary roll or rolls
9 including such cancellations and corrections, and the assessment and
10 levy shall have the same force and effect as if made in the first
11 instance, and the county treasurer shall proceed to collect the taxes
12 due on the rolls as modified.

13 **Sec. 11.** RCW 84.48.080 and 1997 c 3 s 112 (Referendum Bill No. 47)
14 are each amended to read as follows:

15 (1) Annually during the months of September and October, the
16 department of revenue shall examine and compare the returns of the
17 assessment of the property in the several counties of the state, and
18 the assessment of the property of railroad and other companies assessed
19 by the department, and proceed to equalize the same, so that each
20 county in the state shall pay its due and just proportion of the taxes
21 for state purposes for such assessment year, according to the ratio the
22 assessed valuation of the property in each county bears to the correct
23 total assessed valuation of all property in the state.

24 First. The department shall classify all property, real and
25 personal, and shall raise and lower the assessed valuation of any class
26 of property in any county to a value that shall be equal, so far as
27 possible, to the correct assessed value of such class as of January 1st
28 of the current year, after determining the correct appraised value, and
29 any adjustment applicable under RCW 84.40.0305 for the property, for
30 the purpose of ascertaining the just amount of tax due from each county
31 for state purposes. In equalizing personal property as of January 1st
32 of the current year, the department shall use the assessment level of
33 the preceding year. Such classification may be on the basis of types
34 of property, geographical areas, or both. For purposes of this
35 section, for each county that has not provided the department with an
36 assessment return by December 1st, the department shall proceed, using
37 facts and information and in a manner it deems appropriate, to estimate
38 the value of each class of property in the county.

1 Second. The department shall keep a full record of its proceedings
2 and the same shall be published annually by the department.

3 (2) The department shall levy the state taxes authorized by law.
4 The amount levied in any one year for general state purposes shall not
5 exceed the lawful dollar rate on the dollar of the assessed value of
6 the property of the entire state as equalized under this section. The
7 department shall apportion the amount of tax for state purposes levied
8 by the department, among the several counties, in proportion to the
9 assessed valuation of the taxable property of the county for the year
10 as equalized by the department: PROVIDED, That for purposes of this
11 apportionment, the department shall recompute the previous year's levy
12 and the apportionment thereof to correct for changes and errors in
13 taxable values reported to the department after October 1 of the
14 preceding year and shall adjust the apportioned amount of the current
15 year's state levy for each county by the difference between the
16 apportioned amounts established by the original and revised levy
17 computations for the previous year. For purposes of this section,
18 changes in taxable values mean a final adjustment made by a county
19 board of (~~equalization~~) tax appeals, the state board of tax appeals,
20 or a court of competent jurisdiction and shall include additions of
21 omitted property, other additions or deletions from the assessment or
22 tax rolls, any assessment return provided by a county to the department
23 subsequent to December 1st, or a change in the indicated ratio of a
24 county. Errors in taxable values mean errors corrected by a final
25 reviewing body.

26 In addition to computing a levy under this subsection that is
27 reduced under RCW 84.55.012, the department shall compute a
28 hypothetical levy without regard to the reduction under RCW 84.55.012.
29 This hypothetical levy shall also be apportioned among the several
30 counties in proportion to the valuation of the taxable property of the
31 county for the year, as equalized by the department, in the same manner
32 as the actual levy and shall be used by the county assessors for the
33 purpose of recomputing and establishing a consolidated levy under RCW
34 84.52.010.

35 (3) The department shall have authority to adopt rules and
36 regulations to enforce obedience to its orders in all matters in
37 relation to the returns of county assessments, the equalization of
38 values, and the apportionment of the state levy by the department.

1 (4) After the completion of the duties prescribed in this section,
2 the director of the department shall certify the record of the
3 proceedings of the department under this section, the tax levies made
4 for state purposes and the apportionment thereof among the counties,
5 and the certification shall be available for public inspection.

6 **Sec. 12.** RCW 84.48.150 and 1994 c 301 s 46 are each amended to
7 read as follows:

8 The assessor shall, upon the request of any taxpayer who petitions
9 the board of (~~equalization~~) tax appeals for review of a tax claim or
10 valuation dispute, make available to (~~said~~) the taxpayer a
11 compilation of comparable sales utilized by the assessor in
12 establishing such taxpayer's property valuation. If valuation criteria
13 other than comparable sales were used, the assessor shall furnish the
14 taxpayer with such other factors and the addresses of such other
15 property used in making the determination of value.

16 The assessor shall within sixty days of such request but at least
17 fourteen business days, excluding legal holidays, prior to such
18 taxpayer's appearance before the board of (~~equalization~~) tax appeals
19 make available to the taxpayer the valuation criteria and/or comparable
20 sales which shall not be subsequently changed by the assessor unless
21 the assessor has found new evidence supporting the assessor's
22 valuation, in which situation the assessor shall provide such
23 additional evidence to the taxpayer and the board of (~~equalization~~)
24 tax appeals at least fourteen business days prior to the hearing at the
25 board of (~~equalization~~) tax appeals. A taxpayer who lists comparable
26 sales on a notice of appeal shall not subsequently change such sales
27 unless the taxpayer has found new evidence supporting the taxpayer's
28 proposed valuation in which case the taxpayer shall provide such
29 additional evidence to the assessor and board of (~~equalization~~) tax
30 appeals at least seven business days, excluding legal holidays, prior
31 to the hearing. If either the assessor or taxpayer does not meet the
32 requirements of this section the board of (~~equalization~~) tax appeals
33 may continue the hearing to provide the parties an opportunity to
34 review all evidence or, upon objection, refuse to consider sales not
35 submitted in a timely manner.

36 **Sec. 13.** RCW 84.48.200 and 1988 c 222 s 26 are each amended to
37 read as follows:

1 The department of revenue shall make such rules consistent with
2 this chapter as shall be necessary or desirable to permit its effective
3 administration. The rules may provide for changes of venue for the
4 various boards of (~~equalization~~) tax appeals.

5 **Sec. 14.** RCW 52.16.030 and 1989 c 63 s 25 are each amended to read
6 as follows:

7 Annually after the county board or boards of (~~equalization~~) tax
8 appeals of the county or counties in which the district is located have
9 equalized the assessments for general tax purposes in that year, the
10 secretary of the district shall prepare and certify a budget of the
11 requirements of each district fund, and deliver it to the county
12 legislative authority or authorities of the county or counties in which
13 the district is located in ample time for the tax levies to be made for
14 district purposes.

15 **Sec. 15.** RCW 68.52.290 and 1947 c 6 s 21 are each amended to read
16 as follows:

17 Annually, after the county board of (~~equalization~~) tax appeals
18 has equalized assessments for general tax purposes, the secretary of
19 the district shall prepare a budget of the requirements of the cemetery
20 district fund, certify the same and deliver it to the board of county
21 commissioners in ample time for such board to levy district taxes. At
22 the time of making general tax levies in each year, the board of county
23 commissioners shall levy taxes required for cemetery district purposes
24 against the real and personal property in the district in accordance
25 with the equalized valuation thereof for general tax purposes, and as
26 a part of (~~said~~) the general taxes. Such levies shall be part of the
27 general tax roll and be collected as a part of general taxes against
28 the property in the district.

29 **Sec. 16.** RCW 82.03.130 and 1994 c 123 s 3 are each amended to read
30 as follows:

31 The board shall have jurisdiction to decide the following types of
32 appeals:

33 (1) Appeals taken pursuant to RCW 82.03.190.

34 (2) Appeals from a county board of (~~equalization~~) tax appeals
35 pursuant to RCW 84.08.130.

1 (3) Appeals by an assessor or landowner from an order of the
2 director of revenue made pursuant to RCW 84.08.010 and 84.08.060, if
3 filed with the board of tax appeals within thirty days after the
4 mailing of the order, the right to such an appeal being hereby
5 established.

6 (4) Appeals by an assessor or owner of an intercounty public
7 utility or private car company from determinations by the director of
8 revenue of equalized assessed valuation of property and the
9 apportionment thereof to a county made pursuant to chapter 84.12 and
10 84.16 RCW, if filed with the board of tax appeals within thirty days
11 after mailing of the determination, the right to such appeal being
12 hereby established.

13 (5) Appeals by an assessor, landowner, or owner of an intercounty
14 public utility or private car company from a determination of any
15 county indicated ratio for such county compiled by the department of
16 revenue pursuant to RCW 84.48.075: PROVIDED, That

17 (a) (~~Said~~) The appeal be filed after review of the ratio under
18 RCW 84.48.075(3) and not later than fifteen days after the mailing of
19 the certification; and

20 (b) The hearing before the board shall be expeditiously held in
21 accordance with rules prescribed by the board and shall take precedence
22 over all matters of the same character.

23 (6) Appeals from the decisions of sale price of second class
24 shorelands on navigable lakes by the department of natural resources
25 pursuant to RCW 79.94.210.

26 (7) Appeals from urban redevelopment property tax apportionment
27 district proposals established by governmental ordinances pursuant to
28 RCW 39.88.060.

29 (8) Appeals from interest rates as determined by the department of
30 revenue for use in valuing farmland under current use assessment
31 pursuant to RCW 84.34.065.

32 (9) Appeals from revisions to stumpage value tables used to
33 determine value by the department of revenue pursuant to RCW 84.33.091.

34 (10) Appeals from denial of tax exemption application by the
35 department of revenue pursuant to RCW 84.36.850.

36 (11) Appeals pursuant to RCW 84.40.038(3).

37 **Sec. 17.** RCW 82.29A.060 and 1994 c 95 s 1 are each amended to read
38 as follows:

1 (1) All administrative provisions in chapters 82.02 and 82.32 RCW
2 shall be applicable to taxes imposed pursuant to this chapter.

3 (2) A lessee, or a sublessee in the case where the sublessee is
4 responsible for paying the tax imposed under this chapter, of property
5 used for residential purposes may petition the county board of
6 ((equalization)) tax appeals for a change in appraised value when the
7 department of revenue establishes taxable rent under RCW
8 82.29A.020(2)(b) based on an appraisal done by the county assessor at
9 the request of the department. The petition must be on forms
10 prescribed or approved by the department of revenue and any petition
11 not conforming to those requirements or not properly completed shall
12 not be considered by the board. The petition must be filed with the
13 board within the time period set forth in RCW 84.40.038. A decision of
14 the county board of ((equalization)) tax appeals may be appealed by the
15 taxpayer to the state board of tax appeals as provided in RCW
16 84.08.130.

17 A sublessee, in the case where the sublessee is responsible for
18 paying the tax imposed under this chapter, of property used for
19 residential purposes may petition the department for a change in
20 taxable rent when the department of revenue establishes taxable rent
21 under RCW 82.29A.020(2)(b).

22 Any change in tax resulting from an appeal under this subsection
23 shall be allocated to the lessee or sublessee responsible for paying
24 the tax.

25 (3) This section shall not authorize the issuance of any levy upon
26 any property owned by the public lessor.

27 (4) In selecting leasehold excise tax returns for audit the
28 department of revenue shall give priority to any return an audit of
29 which is specifically requested in writing by the county assessor or
30 treasurer or other chief financial officer of any city or county
31 affected by such return. Notwithstanding the provisions of RCW
32 82.32.330, findings of fact and determinations of the amount of taxable
33 rent made pursuant to the provisions of this chapter shall be open to
34 public inspection at all reasonable times.

35 **Sec. 18.** RCW 84.08.010 and 1975 1st ex.s. c 278 s 147 are each
36 amended to read as follows:

37 The department of revenue shall:

1 (1) Exercise general supervision and control over the
2 administration of the assessment and tax laws of the state, over county
3 assessors, and county boards of (~~(equalization)~~) tax appeals, and over
4 boards of county commissioners, county treasurers and county auditors
5 and all other county officers, in the performance of their duties
6 relating to taxation, and perform any act or give any order or
7 direction to any county board of (~~(equalization)~~) tax appeals or to any
8 county assessor or to any other county officer as to the valuation of
9 any property, or class or classes of property in any county, township,
10 city or town, or as to any other matter relating to the administration
11 of the assessment and taxation laws of the state, which, in the
12 department's judgment may seem just and necessary, to the end that all
13 taxable property in this state shall be listed upon the assessment
14 rolls and valued and assessed according to the provisions of law, and
15 equalized between persons, firms, companies and corporations, and
16 between the different counties of this state, and between the different
17 taxing units and townships, so that equality of taxation and uniformity
18 of administration shall be secured and all taxes shall be collected
19 according to the provisions of law.

20 (2) Formulate such rules and processes for the assessment of both
21 real and personal property for purposes of taxation as are best
22 calculated to secure uniform assessment of property of like kind and
23 value in the various taxing units of the state, and relative uniformity
24 between properties of different kinds and values in the same taxing
25 unit. The department of revenue shall furnish to each county assessor
26 a copy of the rules and processes so formulated. The department of
27 revenue may, from time to time, make such changes in the rules and
28 processes so formulated as it deems advisable to accomplish the purpose
29 thereof, and it shall inform all county assessors of such changes.

30 (3) Visit the counties in the state, unless prevented by necessary
31 official duties, for the investigation of the methods adopted by the
32 county assessors and county boards of commissioners in the assessment
33 and equalization of taxation of real and personal property; carefully
34 examine into all cases where evasion of property taxation is alleged,
35 and ascertain where existing laws are defective, or improperly or
36 negligently administered.

37 **Sec. 19.** RCW 84.08.020 and 1975 1st ex.s. c 278 s 148 are each
38 amended to read as follows:

1 The department of revenue shall:

2 (1) Confer with, advise, and direct assessors, county boards of
3 (~~equalization~~) tax appeals, county boards of commissioners, county
4 treasurers, county auditors, and all other county and township officers
5 as to their duties under the law and statutes of the state, relating to
6 taxation, and direct what proceedings, actions, or prosecutions shall
7 be instituted to support the law relating to the penalties,
8 liabilities, and punishment of public officers, persons, and officers
9 or agents of corporations for failure or neglect to comply with the
10 provisions of the statutes governing the return, assessment, and
11 taxation of property, and the collection of taxes, and cause complaint
12 to be made against any of such public officers in the proper county for
13 their removal from office for official misconduct or neglect of duty.
14 In the execution of these powers and duties the (~~said~~) department or
15 any member thereof may call upon prosecuting attorneys or the attorney
16 general, who shall assist in the commencement and prosecution for
17 penalties and forfeiture, liabilities, and punishments for violations
18 of the laws of the state in respect to the assessment and taxation of
19 property.

20 (2) Prescribe all forms of books and blanks to be used in the
21 assessment and collection of taxes, and change such forms when
22 prescribed by law, and recommend to the legislature such changes as may
23 be deemed most economical to the state and counties, and such
24 recommendation shall be accompanied by carefully prepared bill or bills
25 for this end.

26 (3) Require county, city, and town officers to report information
27 as to assessments of property, equalization of taxes, the expenditure
28 of public funds for all purposes, and other information which (~~said~~)
29 the department (~~of revenue~~) may request.

30 **Sec. 20.** RCW 84.08.030 and 1975-'76 2nd ex.s. c 94 s 1 are each
31 amended to read as follows:

32 The department of revenue shall examine and test the work of county
33 assessors at any time, and have and possess all rights and powers of
34 such assessors for the examination of persons, and property, and for
35 the discovery of property subject to taxation, and if it shall
36 ascertain that any taxable property is omitted from the assessment
37 list, or not assessed or valued according to law, it shall bring the
38 same to the attention of the assessor of the proper county in writing,

1 and if such assessor shall neglect or refuse to comply with the request
2 of the department of revenue to place such property on the assessment
3 list, or to correct such incorrect assessment or valuation the
4 department of revenue shall have the power to prepare a supplement to
5 such assessment list, which supplement shall include all property
6 required by the department of revenue to be placed on the assessment
7 list and all corrections required to be made. Such supplement shall be
8 filed with the assessor's assessment list and shall thereafter
9 constitute an integral part thereof to the exclusion of all portions of
10 the original assessment list inconsistent therewith, and shall be
11 submitted therewith to the county board of ((equalization)) tax
12 appeals. As part of the examining and testing of the work of county
13 assessors to be accomplished pursuant to this section, the department
14 of revenue shall audit state-wide at least one-half of one percent of
15 all personal property accounts listed each calendar year.

16 **Sec. 21.** RCW 84.08.060 and 1988 c 222 s 9 are each amended to read
17 as follows:

18 The department of revenue shall have power to direct and to order
19 any county board of ((equalization)) tax appeals to raise or lower the
20 valuation of any taxable property, or to add any property to the
21 assessment list, or to perform or complete any other duty required by
22 statute. The department of revenue may require any such board of
23 ((equalization)) tax appeals to reconvene after its adjournment for the
24 purpose of performing any order or requirement made by the department
25 of revenue and may make such orders as it shall determine to be just
26 and necessary. The department may require any county board of
27 ((equalization)) tax appeals to reconvene at any time for the purpose
28 of performing or completing any duty or taking any action it might
29 lawfully have performed or taken at any of its previous meetings. No
30 board may be reconvened later than three years after the date of
31 adjournment of its regularly convened session. If such board of
32 ((equalization)) tax appeals shall fail or refuse forthwith to comply
33 with any such order or requirement of the department of revenue, the
34 department of revenue shall have power to take any other appropriate
35 action, or to make such correction or change in the assessment list,
36 and such corrections and changes shall be a part of the record of the
37 proceedings of the ((said)) board of ((equalization)) tax appeals:
38 PROVIDED, That in all cases where the department of revenue shall raise

1 the valuation of any property or add property to the assessment list,
2 it shall give notice either for the same time and in the same manner as
3 is now required in like cases of county boards of ((equalization)) tax
4 appeals, or if it shall deem such method of giving notice impracticable
5 it shall give notice by publication thereof in a newspaper of general
6 circulation within the county in which the property affected is
7 situated once each week for two consecutive weeks, and the department
8 of revenue shall not proceed to raise such valuation or add such
9 property to the assessment list until a period of five days shall have
10 elapsed subsequent to the date of the last publication of such notice:
11 PROVIDED FURTHER, That appeals to the board of tax appeals by any
12 taxpayer or taxing unit concerning any action of the county board of
13 ((equalization)) tax appeals shall not raise the valuation of the
14 property to an amount greater than the larger of either the valuation
15 of the property by the county assessor or the valuation of the property
16 assigned by the county board of ((equalization)) tax appeals. Such
17 notice shall give the legal description of each tract of land involved,
18 or a general description in case of personal property; the tax record-
19 owner thereof; the assessed value thereof determined by the county
20 board of ((equalization)) tax appeals in case the property is on the
21 assessment roll; and the assessed value thereof as determined by the
22 department of revenue and shall state that the department of revenue
23 proposes to increase the assessed valuation of such property to the
24 amount stated and to add such property to the assessment list at the
25 assessed valuation stated. The necessary expense incurred by the
26 department of revenue in making such reassessment and/or adding such
27 property to the assessment list shall be borne by the county or
28 township in which the property as reassessed and/or so added to the
29 assessment list is situated and shall be paid out of the proper funds
30 of such county upon the order of the department of revenue.

31 **Sec. 22.** RCW 84.08.130 and 1994 c 301 s 18 are each amended to
32 read as follows:

33 (1) Any taxpayer or taxing unit feeling aggrieved by the action of
34 any county board of ((equalization)) tax appeals may appeal to the
35 board of tax appeals by filing with the board of tax appeals a notice
36 of appeal within thirty days after the mailing of the decision of such
37 county board of ((equalization)) tax appeals, which notice shall
38 specify the actions complained of; and in like manner any county

1 assessor may appeal to the board of tax appeals from any action of any
2 county board of ((equalization)) tax appeals. There shall be no fee
3 charged for the filing of an appeal. The petitioner shall serve a copy
4 of the notice of appeal on all named parties within the same thirty-day
5 time period. Appeals which are not filed and served as provided in
6 this section shall be dismissed. The board of tax appeals shall
7 require the board appealed from to file a true and correct copy of its
8 decision in such action and all evidence taken in connection therewith,
9 and may receive further evidence, and shall make such order as in its
10 judgment is just and proper. An appeal of an action by a county board
11 of ((equalization)) tax appeals shall be deemed to have been filed and
12 served within the thirty-day period if it is postmarked on or before
13 the thirtieth day after the mailing of the decision of the county board
14 of ((equalization)) tax appeals.

15 (2) The board of tax appeals may enter an order, pursuant to
16 subsection (1) of this section, that has effect up to the end of the
17 assessment cycle used by the assessor, if there has been no intervening
18 change in the value during that time.

19 **Sec. 23.** RCW 84.14.020 and 1995 c 375 s 5 are each amended to read
20 as follows:

21 (1) The value of new housing construction, conversion, and
22 rehabilitation improvements qualifying under this chapter is exempt
23 from ad valorem property taxation, for ten successive years beginning
24 January 1 of the year immediately following the calendar year after
25 issuance of the certificate of tax exemption eligibility. However, the
26 exemption does not include the value of land or nonhousing-related
27 improvements not qualifying under this chapter.

28 (2) In the case of rehabilitation of existing buildings, the
29 exemption does not include the value of improvements constructed prior
30 to the submission of the application required under this chapter. The
31 incentive provided by this chapter is in addition to any other
32 incentives, tax credits, grants, or other incentives provided by law.

33 (3) This chapter does not apply to increases in assessed valuation
34 made by the assessor on nonqualifying portions of building and value of
35 land nor to increases made by lawful order of a county board of
36 ((equalization)) tax appeals, the department of revenue, or a county,
37 to a class of property throughout the county or specific area of the

1 county to achieve the uniformity of assessment or appraisal required by
2 law.

3 **Sec. 24.** RCW 84.14.110 and 1995 c 375 s 14 are each amended to
4 read as follows:

5 (1) If improvements have been exempted under this chapter, the
6 improvements continue to be exempted and not be converted to another
7 use for at least ten years from date of issuance of the certificate of
8 tax exemption. If the owner intends to convert the multifamily
9 development to another use, the owner shall notify the assessor within
10 sixty days of the change in use. If, after a certificate of tax
11 exemption has been filed with the county assessor the city or assessor
12 or agent discovers that a portion of the property is changed or will be
13 changed to a use that is other than residential or that housing or
14 amenities no longer meet the requirements as previously approved or
15 agreed upon by contract between the governing authority and the owner
16 and that the multifamily housing, or a portion of the housing, no
17 longer qualifies for the exemption, the tax exemption must be canceled
18 and the following must occur:

19 (a) Additional real property tax must be imposed upon the value of
20 the nonqualifying improvements in the amount that would normally be
21 imposed, plus a penalty must be imposed amounting to twenty percent.
22 This additional tax is calculated based upon the difference between the
23 property tax paid and the property tax that would have been paid if it
24 had included the value of the nonqualifying improvements dated back to
25 the date that the improvements were converted to a nonmultifamily use;

26 (b) The tax must include interest upon the amounts of the
27 additional tax at the same statutory rate charged on delinquent
28 property taxes from the dates on which the additional tax could have
29 been paid without penalty if the improvements had been assessed at a
30 value without regard to this chapter; and

31 (c) The additional tax owed together with interest and penalty must
32 become a lien on the land and attach at the time the property or
33 portion of the property is removed from multifamily use or the
34 amenities no longer meet applicable requirements, and has priority to
35 and must be fully paid and satisfied before a recognizance, mortgage,
36 judgment, debt, obligation, or responsibility to or with which the land
37 may become charged or liable. The lien may be foreclosed upon
38 expiration of the same period after delinquency and in the same manner

1 provided by law for foreclosure of liens for delinquent real property
2 taxes. An additional tax unpaid on its due date is delinquent. From
3 the date of delinquency until paid, interest must be charged at the
4 same rate applied by law to delinquent ad valorem property taxes.

5 (2) Upon a determination that a tax exemption is to be canceled for
6 a reason stated in this section, the governing authority shall notify
7 the record owner of the property as shown by the tax rolls by mail,
8 return receipt requested, of the determination to cancel the exemption.
9 The owner may appeal the determination to the governing authority
10 within thirty days by filing a notice of appeal with the clerk of the
11 governing authority, which notice must specify the factual and legal
12 basis on which the determination of cancellation is alleged to be
13 erroneous. The governing authority or a hearing examiner or other
14 official authorized by the governing authority may hear the appeal. At
15 the hearing, all affected parties may be heard and all competent
16 evidence received. After the hearing, the deciding body or officer
17 shall either affirm, modify, or repeal the decision of cancellation of
18 exemption based on the evidence received. An aggrieved party may
19 appeal the decision of the deciding body or officer to the superior
20 court under RCW 34.05.510 through 34.05.598.

21 (3) Upon determination by the governing authority or authorized
22 representative to terminate an exemption, the county officials having
23 possession of the assessment and tax rolls shall correct the rolls in
24 the manner provided for omitted property under RCW 84.40.080. The
25 county assessor shall make such a valuation of the property and
26 improvements as is necessary to permit the correction of the rolls.
27 The owner may appeal the valuation to the county board of
28 ((equalization)) tax appeals under chapter 84.48 RCW. If there has
29 been a failure to comply with this chapter, the property must be listed
30 as an omitted assessment for assessment years beginning January 1 of
31 the calendar year in which the noncompliance first occurred, but the
32 listing as an omitted assessment may not be for a period more than
33 three calendar years preceding the year in which the failure to comply
34 was discovered.

35 **Sec. 25.** RCW 84.26.130 and 1989 c 175 s 178 are each amended to
36 read as follows:

37 Any decision by a local review board on an application for
38 classification as historic property eligible for special valuation may

1 be appealed to superior court under RCW 34.05.510 through 34.05.598 in
2 addition to any other remedy at law. Any decision on the
3 disqualification of historic property eligible for special valuation,
4 or any other dispute, may be appealed to the county board of
5 ((equalization)) tax appeals.

6 **Sec. 26.** RCW 84.33.116 and 1981 c 148 s 6 are each amended to read
7 as follows:

8 (1) On or before May 31, 1982, and on or before May 31 next
9 succeeding the certification of forest land grades with respect to land
10 determined to be forest land after 1980, the assessor shall mail a
11 notice to each owner of forest land stating the number of acres of each
12 grade of forest land included in any tax parcel to which the notice
13 applies. Any such notice mailed prior to 1982 shall plainly advise the
14 forest land owner that the grades established for his or her forest
15 land will not be used as a basis for assessment of such forest land
16 until the assessment year 1982 for taxes payable in 1983.

17 (2) In addition to any other remedies provided by law, any owner
18 who feels aggrieved by the forest land grade determined for any forest
19 land owned by him or her may petition the county board of
20 ((equalization)) tax appeals for correction of such grade. The
21 department of revenue shall appear before the board and defend the
22 determination of such grade. The board shall have jurisdiction to
23 review such petition and may grant or deny the relief requested. The
24 decision of the board may be appealed to the board of tax appeals under
25 RCW 84.08.130.

26 **Sec. 27.** RCW 84.33.118 and 1974 ex.s. c 187 s 17 are each amended
27 to read as follows:

28 (1) On or before May 31, 1981 each county assessor shall mail
29 notice to each owner of forest land within his or her county stating
30 the number of acres of each grade of forest land included in any tax
31 parcel to which the notice applies and the value established for each
32 forest land grade and the total value of such tax parcel on which the
33 assessment of such parcel is based.

34 (2) In addition to any other remedies provided by law, any owner
35 who feels aggrieved by the valuation of any tax parcel owned by him or
36 her may petition the county board of ((equalization)) tax appeals for

1 correction of such value. The board shall have jurisdiction to review
2 such petitions and may grant or deny the requested relief.

3 **Sec. 28.** RCW 84.33.120 and 1997 c 299 s 1 are each amended to read
4 as follows:

5 (1) In preparing the assessment rolls as of January 1, 1982, for
6 taxes payable in 1983 and each January 1st thereafter, the assessor
7 shall list each parcel of forest land at a value with respect to the
8 grade and class provided in this subsection and adjusted as provided in
9 subsection (2) of this section and shall compute the assessed value of
10 the land by using the same assessment ratio he or she applies generally
11 in computing the assessed value of other property in his or her county.
12 Values for the several grades of bare forest land shall be as follows.

13	LAND	OPERABILITY	VALUES
14	GRADE	CLASS	PER ACRE
15			
16		1	\$141
17	1	2	136
18		3	131
19		4	95
20			
21		1	118
22	2	2	114
23		3	110
24		4	80
25			
26		1	93
27	3	2	90
28		3	87
29		4	66
30			
31		1	70
32	4	2	68
33		3	66
34		4	52
35			

1		1	51
2	5	2	48
3		3	46
4		4	31
5	<hr/>		
6		1	26
7	6	2	25
8		3	25
9		4	23
10	<hr/>		
11		1	12
12	7	2	12
13		3	11
14		4	11
15	<hr/>		
16	8		1
17	<hr/>		

18 (2) On or before December 31, 1981, the department shall adjust, by
19 rule under chapter 34.05 RCW, the forest land values contained in
20 subsection (1) of this section in accordance with this subsection, and
21 shall certify these adjusted values to the county assessor for his or
22 her use in preparing the assessment rolls as of January 1, 1982. For
23 the adjustment to be made on or before December 31, 1981, for use in
24 the 1982 assessment year, the department shall:

25 (a) Divide the aggregate value of all timber harvested within the
26 state between July 1, 1976, and June 30, 1981, by the aggregate harvest
27 volume for the same period, as determined from the harvester excise tax
28 returns filed with the department under RCW 82.04.291 and 84.33.071;
29 and

30 (b) Divide the aggregate value of all timber harvested within the
31 state between July 1, 1975, and June 30, 1980, by the aggregate harvest
32 volume for the same period, as determined from the harvester excise tax
33 returns filed with the department under RCW 82.04.291 and 84.33.071;
34 and

35 (c) Adjust the forest land values contained in subsection (1) of
36 this section by a percentage equal to one-half of the percentage change
37 in the average values of harvested timber reflected by comparing the
38 resultant values calculated under (a) and (b) of this subsection.

1 For the adjustments to be made on or before December 31, 1982, and
2 each succeeding year thereafter, the same procedure shall be followed
3 as described in this subsection utilizing harvester excise tax returns
4 filed under RCW 82.04.291 and this chapter except that this adjustment
5 shall be made to the prior year's adjusted value, and the five-year
6 periods for calculating average harvested timber values shall be
7 successively one year more recent.

8 (3) In preparing the assessment roll for 1972 and each year
9 thereafter, the assessor shall enter as the true and fair value of each
10 parcel of forest land the appropriate grade value certified to him or
11 her by the department of revenue, and he or she shall compute the
12 assessed value of such land by using the same assessment ratio he or
13 she applies generally in computing the assessed value of other property
14 in his or her county. In preparing the assessment roll for 1975 and
15 each year thereafter, the assessor shall assess and value as classified
16 forest land all forest land that is not then designated pursuant to RCW
17 84.33.120(4) or 84.33.130 and shall make a notation of such
18 classification upon the assessment and tax rolls. On or before January
19 15 of the first year in which such notation is made, the assessor shall
20 mail notice by certified mail to the owner that such land has been
21 classified as forest land and is subject to the compensating tax
22 imposed by this section. If the owner desires not to have such land
23 assessed and valued as classified forest land, he or she shall give the
24 assessor written notice thereof on or before March 31 of such year and
25 the assessor shall remove from the assessment and tax rolls the
26 classification notation entered pursuant to this subsection, and shall
27 thereafter assess and value such land in the manner provided by law
28 other than this chapter 84.33 RCW.

29 (4) In any year commencing with 1972, an owner of land which is
30 assessed and valued by the assessor other than pursuant to the
31 procedures set forth in RCW 84.33.110 and this section, and which has,
32 in the immediately preceding year, been assessed and valued by the
33 assessor as forest land, may appeal to the county board of
34 ((equalization)) tax appeals by filing an application with the board in
35 the manner prescribed in subsection (2) of RCW 84.33.130. The
36 ((county)) board shall afford the applicant an opportunity to be heard
37 if the application so requests and shall act upon the application in
38 the manner prescribed in subsection (3) of RCW 84.33.130.

1 (5) Land that has been assessed and valued as classified forest
2 land as of any year commencing with 1975 assessment year or earlier
3 shall continue to be so assessed and valued until removal of
4 classification by the assessor only upon the occurrence of one of the
5 following events:

6 (a) Receipt of notice from the owner to remove such land from
7 classification as forest land;

8 (b) Sale or transfer to an ownership making such land exempt from
9 ad valorem taxation;

10 (c) Determination by the assessor, after giving the owner written
11 notice and an opportunity to be heard, that, because of actions taken
12 by the owner, such land is no longer primarily devoted to and used for
13 growing and harvesting timber. However, land shall not be removed from
14 classification if a governmental agency, organization, or other
15 recipient identified in subsection (9) or (10) of this section as
16 exempt from the payment of compensating tax has manifested its intent
17 in writing or by other official action to acquire a property interest
18 in classified forest land by means of a transaction that qualifies for
19 an exemption under subsection (9) or (10) of this section. The
20 governmental agency, organization, or recipient shall annually provide
21 the assessor of the county in which the land is located reasonable
22 evidence in writing of the intent to acquire the classified land as
23 long as the intent continues or within sixty days of a request by the
24 assessor. The assessor may not request this evidence more than once in
25 a calendar year;

26 (d) Determination that a higher and better use exists for such land
27 than growing and harvesting timber after giving the owner written
28 notice and an opportunity to be heard;

29 (e) Sale or transfer of all or a portion of such land to a new
30 owner, unless the new owner has signed a notice of forest land
31 classification continuance, except transfer to an owner who is an heir
32 or devisee of a deceased owner, shall not, by itself, result in removal
33 of classification. The signed notice of continuance shall be attached
34 to the real estate excise tax affidavit provided for in RCW 82.45.150.
35 The notice of continuance shall be on a form prepared by the department
36 of revenue. If the notice of continuance is not signed by the new
37 owner and attached to the real estate excise tax affidavit, all
38 compensating taxes calculated pursuant to subsection (7) of this
39 section shall become due and payable by the seller or transferor at

1 time of sale. The county auditor shall not accept an instrument of
2 conveyance of classified forest land for filing or recording unless the
3 new owner has signed the notice of continuance or the compensating tax
4 has been paid. The seller, transferor, or new owner may appeal the new
5 assessed valuation calculated under subsection (7) of this section to
6 the county board of ((~~equalization~~)) tax appeals. Jurisdiction is
7 hereby conferred on the county board of ((~~equalization~~)) tax appeals to
8 hear these appeals.

9 The assessor shall remove classification pursuant to (c) or (d) of
10 this subsection prior to September 30 of the year prior to the
11 assessment year for which termination of classification is to be
12 effective. Removal of classification as forest land upon occurrence of
13 (a), (b), (d), or (e) of this subsection shall apply only to the land
14 affected, and upon occurrence of (c) of this subsection shall apply
15 only to the actual area of land no longer primarily devoted to and used
16 for growing and harvesting timber: PROVIDED, That any remaining
17 classified forest land meets necessary definitions of forest land
18 pursuant to RCW 84.33.100.

19 (6) Within thirty days after such removal of classification as
20 forest land, the assessor shall notify the owner in writing setting
21 forth the reasons for such removal. The owner of such land shall
22 thereupon have the right to apply for designation of such land as
23 forest land pursuant to subsection (4) of this section or RCW
24 84.33.130. The seller, transferor, or owner may appeal such removal to
25 the county board of ((~~equalization~~)) tax appeals.

26 (7) Unless the owner successfully applies for designation of such
27 land or unless the removal is reversed on appeal, notation of removal
28 from classification shall immediately be made upon the assessment and
29 tax rolls, and commencing on January 1 of the year following the year
30 in which the assessor made such notation, such land shall be assessed
31 on the same basis as real property is assessed generally in that
32 county. Except as provided in subsection (5)(e), (9), or (10) of this
33 section and unless the assessor shall not have mailed notice of
34 classification pursuant to subsection (3) of this section, a
35 compensating tax shall be imposed which shall be due and payable to the
36 county treasurer thirty days after the owner is notified of the amount
37 of the compensating tax. As soon as possible, the assessor shall
38 compute the amount of such compensating tax and mail notice to the
39 owner of the amount thereof and the date on which payment is due. The

1 amount of such compensating tax shall be equal to the difference, if
2 any, between the amount of tax last levied on such land as forest land
3 and an amount equal to the new assessed valuation of such land
4 multiplied by the dollar rate of the last levy extended against such
5 land, multiplied by a number, in no event greater than ten, equal to
6 the number of years, commencing with assessment year 1975, for which
7 such land was assessed and valued as forest land.

8 (8) Compensating tax, together with applicable interest thereon,
9 shall become a lien on such land which shall attach at the time such
10 land is removed from classification as forest land and shall have
11 priority to and shall be fully paid and satisfied before any
12 recognizance, mortgage, judgment, debt, obligation or responsibility to
13 or with which such land may become charged or liable. Such lien may be
14 foreclosed upon expiration of the same period after delinquency and in
15 the same manner provided by law for foreclosure of liens for delinquent
16 real property taxes as provided in RCW 84.64.050. Any compensating tax
17 unpaid on its due date shall thereupon become delinquent. From the
18 date of delinquency until paid, interest shall be charged at the same
19 rate applied by law to delinquent ad valorem property taxes.

20 (9) The compensating tax specified in subsection (7) of this
21 section shall not be imposed if the removal of classification as forest
22 land pursuant to subsection (5) of this section resulted solely from:

23 (a) Transfer to a government entity in exchange for other forest
24 land located within the state of Washington;

25 (b) A taking through the exercise of the power of eminent domain,
26 or sale or transfer to an entity having the power of eminent domain in
27 anticipation of the exercise of such power;

28 (c) A donation of fee title, development rights, or the right to
29 harvest timber, to a government agency or organization qualified under
30 RCW 84.34.210 and 64.04.130 for the purposes enumerated in those
31 sections, or the sale or transfer of fee title to a governmental entity
32 or a nonprofit nature conservancy corporation, as defined in RCW
33 64.04.130, exclusively for the protection and conservation of lands
34 recommended for state natural area preserve purposes by the natural
35 heritage council and natural heritage plan as defined in chapter 79.70
36 RCW: PROVIDED, That at such time as the land is not used for the
37 purposes enumerated, the compensating tax specified in subsection (7)
38 of this section shall be imposed upon the current owner;

1 (d) The sale or transfer of fee title to the parks and recreation
2 commission for park and recreation purposes; or

3 (e) Official action by an agency of the state of Washington or by
4 the county or city within which the land is located that disallows the
5 present use of such land.

6 (10) In a county with a population of more than one million
7 inhabitants, the compensating tax specified in subsection (7) of this
8 section shall not be imposed if the removal of classification as forest
9 land pursuant to subsection (5) of this section resulted solely from:

10 (a) An action described in subsection (9) of this section; or

11 (b) A transfer of a property interest to a government entity, or to
12 a nonprofit historic preservation corporation or nonprofit nature
13 conservancy corporation, as defined in RCW 64.04.130, to protect or
14 enhance public resources, or to preserve, maintain, improve, restore,
15 limit the future use of, or otherwise to conserve for public use or
16 enjoyment, the property interest being transferred. At such time as
17 the property interest is not used for the purposes enumerated, the
18 compensating tax shall be imposed upon the current owner.

19 (11) With respect to any land that has been designated prior to May
20 6, 1974, pursuant to RCW 84.33.120(4) or 84.33.130, the assessor may,
21 prior to January 1, 1975, on his or her own motion or pursuant to
22 petition by the owner, change, without imposition of the compensating
23 tax provided under RCW 84.33.140, the status of such designated land to
24 classified forest land.

25 **Sec. 29.** RCW 84.33.130 and 1994 c 301 s 32 are each amended to
26 read as follows:

27 (1) An owner of land desiring that it be designated as forest land
28 and valued pursuant to RCW 84.33.120 as of January 1 of any year shall
29 make application to the county assessor before such January 1.

30 (2) The application shall be made upon forms prepared by the
31 department of revenue and supplied by the county assessor, and shall
32 include the following:

33 (a) A legal description of or assessor's tax lot numbers for all
34 land the applicant desires to be designated as forest land;

35 (b) The date or dates of acquisition of such land;

36 (c) A brief description of the timber on such land, or if the
37 timber has been harvested, the owner's plan for restocking;

38 (d) Whether there is a forest management plan for such land;

1 (e) If so, the nature and extent of implementation of such plan;

2 (f) Whether such land is used for grazing;

3 (g) Whether such land has been subdivided or a plat filed with
4 respect thereto;

5 (h) Whether such land and the applicant are in compliance with the
6 restocking, forest management, fire protection, insect and disease
7 control and forest debris provisions of Title 76 RCW or any applicable
8 regulations thereunder;

9 (i) Whether such land is subject to forest fire protection
10 assessments pursuant to RCW 76.04.610;

11 (j) Whether such land is subject to a lease, option or other right
12 which permits it to be used for any purpose other than growing and
13 harvesting timber;

14 (k) A summary of the past experience and activity of the applicant
15 in growing and harvesting timber;

16 (l) A summary of current and continuing activity of the applicant
17 in growing and harvesting timber;

18 (m) A statement that the applicant is aware of the potential tax
19 liability involved when such land ceases to be designated as forest
20 land;

21 (n) An affirmation that the statements contained in the application
22 are true and that the land described in the application is, by itself
23 or with other forest land not included in the application, in
24 contiguous ownership of twenty or more acres which is primarily devoted
25 to and used for growing and harvesting timber.

26 The assessor shall afford the applicant an opportunity to be heard if
27 the application so requests.

28 (3) The assessor shall act upon the application with due regard to
29 all relevant evidence and without any one or more items of evidence
30 necessarily being determinative, except that the application may be
31 denied for one of the following reasons, without regard to other items:

32 (a) The land does not contain either a "merchantable stand of
33 timber" or an "adequate stocking" as defined by rule adopted by the
34 forest practices board, except this reason (a) shall not alone be
35 sufficient for denial of the application (i) if such land has been
36 recently harvested or supports a growth of brush or noncommercial type
37 timber, and the application includes a plan for restocking within three
38 years or such longer period necessitated by unavailability of seed or
39 seedlings, or (ii) if only isolated areas within such land do not meet

1 such minimum standards due to rock outcroppings, swamps, unproductive
2 soil or other natural conditions;

3 (b) The applicant, with respect to such land, has failed to comply
4 with a final administrative or judicial order with respect to a
5 violation of the restocking, forest management, fire protection, insect
6 and disease control and forest debris provisions of Title 76 RCW or any
7 applicable regulations thereunder;

8 (c) The land abuts a body of salt water and lies between the line
9 of ordinary high tide and a line paralleling such ordinary high tide
10 line and two hundred feet horizontally landward therefrom, except that
11 if the higher and better use determined by the assessor to exist for
12 such land would not be permitted or economically feasible by virtue of
13 any federal, state or local law or regulation such land shall be
14 assessed and valued pursuant to the procedures set forth in RCW
15 84.33.110 and 84.33.120 without being designated. The application
16 shall be deemed to have been approved unless, prior to May 1, of the
17 year after such application was mailed or delivered to the assessor,
18 the assessor shall notify the applicant in writing of the extent to
19 which the application is denied.

20 (4) An owner who receives notice pursuant to subsection (3) of this
21 section that his or her application has been denied may appeal such
22 denial to the county board of ((equalization)) tax appeals.

23 **Sec. 30.** RCW 84.33.140 and 1997 c 299 s 2 are each amended to read
24 as follows:

25 (1) When land has been designated as forest land pursuant to RCW
26 84.33.120(4) or 84.33.130, a notation of such designation shall be made
27 each year upon the assessment and tax rolls, a copy of the notice of
28 approval together with the legal description or assessor's tax lot
29 numbers for such land shall, at the expense of the applicant, be filed
30 by the assessor in the same manner as deeds are recorded, and such land
31 shall be graded and valued pursuant to RCW 84.33.110 and 84.33.120
32 until removal of such designation by the assessor upon occurrence of
33 any of the following:

34 (a) Receipt of notice from the owner to remove such designation;

35 (b) Sale or transfer to an ownership making such land exempt from
36 ad valorem taxation;

37 (c) Sale or transfer of all or a portion of such land to a new
38 owner, unless the new owner has signed a notice of forest land

1 designation continuance, except transfer to an owner who is an heir or
2 devisee of a deceased owner, shall not, by itself, result in removal of
3 classification. The signed notice of continuance shall be attached to
4 the real estate excise tax affidavit provided for in RCW 82.45.150.
5 The notice of continuance shall be on a form prepared by the department
6 of revenue. If the notice of continuance is not signed by the new
7 owner and attached to the real estate excise tax affidavit, all
8 compensating taxes calculated pursuant to subsection (3) of this
9 section shall become due and payable by the seller or transferor at
10 time of sale. The county auditor shall not accept an instrument of
11 conveyance of designated forest land for filing or recording unless the
12 new owner has signed the notice of continuance or the compensating tax
13 has been paid. The seller, transferor, or new owner may appeal the new
14 assessed valuation calculated under subsection (3) of this section to
15 the county board of ((equalization)) tax appeals. Jurisdiction is
16 hereby conferred on the county board of ((equalization)) tax appeals to
17 hear these appeals;

18 (d) Determination by the assessor, after giving the owner written
19 notice and an opportunity to be heard, that:

20 (i) Such land is no longer primarily devoted to and used for
21 growing and harvesting timber. However, land shall not be removed from
22 designation if a governmental agency, organization, or other recipient
23 identified in subsection (5) or (6) of this section as exempt from the
24 payment of compensating tax has manifested its intent in writing or by
25 other official action to acquire a property interest in designated
26 forest land by means of a transaction that qualifies for an exemption
27 under subsection (5) or (6) of this section. The governmental agency,
28 organization, or recipient shall annually provide the assessor of the
29 county in which the land is located reasonable evidence in writing of
30 the intent to acquire the designated land as long as the intent
31 continues or within sixty days of a request by the assessor. The
32 assessor may not request this evidence more than once in a calendar
33 year;

34 (ii) The owner has failed to comply with a final administrative or
35 judicial order with respect to a violation of the restocking, forest
36 management, fire protection, insect and disease control and forest
37 debris provisions of Title 76 RCW or any applicable regulations
38 thereunder; or

1 (iii) Restocking has not occurred to the extent or within the time
2 specified in the application for designation of such land.
3 Removal of designation upon occurrence of any of (a) through (c) of
4 this subsection shall apply only to the land affected, and upon
5 occurrence of (d) of this subsection shall apply only to the actual
6 area of land no longer primarily devoted to and used for growing and
7 harvesting timber, without regard to other land that may have been
8 included in the same application and approval for designation:
9 PROVIDED, That any remaining designated forest land meets necessary
10 definitions of forest land pursuant to RCW 84.33.100.

11 (2) Within thirty days after such removal of designation of forest
12 land, the assessor shall notify the owner in writing, setting forth the
13 reasons for such removal. The seller, transferor, or owner may appeal
14 such removal to the county board of (~~equalization~~) tax appeals.

15 (3) Unless the removal is reversed on appeal a copy of the notice
16 of removal with notation of the action, if any, upon appeal, together
17 with the legal description or assessor's tax lot numbers for the land
18 removed from designation shall, at the expense of the applicant, be
19 filed by the assessor in the same manner as deeds are recorded, and
20 commencing on January 1 of the year following the year in which the
21 assessor mailed such notice, such land shall be assessed on the same
22 basis as real property is assessed generally in that county. Except as
23 provided in subsection (1)(c), (5), or (6) of this section, a
24 compensating tax shall be imposed which shall be due and payable to the
25 county treasurer thirty days after the owner is notified of the amount
26 of the compensating tax. As soon as possible, the assessor shall
27 compute the amount of such compensating tax and mail notice to the
28 owner of the amount thereof and the date on which payment is due. The
29 amount of such compensating tax shall be equal to the difference
30 between the amount of tax last levied on such land as forest land and
31 an amount equal to the new assessed valuation of such land multiplied
32 by the dollar rate of the last levy extended against such land,
33 multiplied by a number, in no event greater than ten, equal to the
34 number of years for which such land was designated as forest land.

35 (4) Compensating tax, together with applicable interest thereon,
36 shall become a lien on such land which shall attach at the time such
37 land is removed from designation as forest land and shall have priority
38 to and shall be fully paid and satisfied before any recognizance,
39 mortgage, judgment, debt, obligation or responsibility to or with which

1 such land may become charged or liable. Such lien may be foreclosed
2 upon expiration of the same period after delinquency and in the same
3 manner provided by law for foreclosure of liens for delinquent real
4 property taxes as provided in RCW 84.64.050. Any compensating tax
5 unpaid on its due date shall thereupon become delinquent. From the
6 date of delinquency until paid, interest shall be charged at the same
7 rate applied by law to delinquent ad valorem property taxes.

8 (5) The compensating tax specified in subsection (3) of this
9 section shall not be imposed if the removal of designation pursuant to
10 subsection (1) of this section resulted solely from:

11 (a) Transfer to a government entity in exchange for other forest
12 land located within the state of Washington;

13 (b) A taking through the exercise of the power of eminent domain,
14 or sale or transfer to an entity having the power of eminent domain in
15 anticipation of the exercise of such power;

16 (c) A donation of fee title, development rights, or the right to
17 harvest timber, to a government agency or organization qualified under
18 RCW 84.34.210 and 64.04.130 for the purposes enumerated in those
19 sections, or the sale or transfer of fee title to a governmental entity
20 or a nonprofit nature conservancy corporation, as defined in RCW
21 64.04.130, exclusively for the protection and conservation of lands
22 recommended for state natural area preserve purposes by the natural
23 heritage council and natural heritage plan as defined in chapter 79.70
24 RCW: PROVIDED, That at such time as the land is not used for the
25 purposes enumerated, the compensating tax specified in subsection (3)
26 of this section shall be imposed upon the current owner;

27 (d) The sale or transfer of fee title to the parks and recreation
28 commission for park and recreation purposes; or

29 (e) Official action by an agency of the state of Washington or by
30 the county or city within which the land is located that disallows the
31 present use of such land.

32 (6) In a county with a population of more than one million
33 inhabitants, the compensating tax specified in subsection (3) of this
34 section shall not be imposed if the removal of classification as forest
35 land pursuant to subsection (1) of this section resulted solely from:

36 (a) An action described in subsection (5) of this section; or

37 (b) A transfer of a property interest to a government entity, or to
38 a nonprofit historic preservation corporation or nonprofit nature
39 conservancy corporation, as defined in RCW 64.04.130, to protect or

1 enhance public resources, or to preserve, maintain, improve, restore,
2 limit the future use of, or otherwise to conserve for public use or
3 enjoyment, the property interest being transferred. At such time as
4 the property interest is not used for the purposes enumerated, the
5 compensating tax shall be imposed upon the current owner.

6 **Sec. 31.** RCW 84.34.035 and 1992 c 69 s 5 are each amended to read
7 as follows:

8 The assessor shall act upon the application for current use
9 classification of farm and agricultural lands under RCW 84.34.020(2),
10 with due regard to all relevant evidence. The application shall be
11 deemed to have been approved unless, prior to the first day of May of
12 the year after such application was mailed or delivered to the
13 assessor, the assessor shall notify the applicant in writing of the
14 extent to which the application is denied. An owner who receives
15 notice that his or her application has been denied may appeal such
16 denial to the board of (~~equalization~~) tax appeals in the county where
17 the property is located. The appeal shall be filed in accordance with
18 RCW 84.40.038, within thirty days after the mailing of the notice of
19 denial. Within ten days following approval of the application, the
20 assessor shall submit notification of such approval to the county
21 auditor for recording in the place and manner provided for the public
22 recording of state tax liens on real property. The assessor shall
23 retain a copy of all applications.

24 The assessor shall, as to any such land, make a notation each year
25 on the assessment list and the tax roll of the assessed value of such
26 land for the use for which it is classified in addition to the assessed
27 value of such land were it not so classified.

28 **Sec. 32.** RCW 84.34.108 and 1992 c 69 s 12 are each amended to read
29 as follows:

30 (1) When land has once been classified under this chapter, a
31 notation of such classification shall be made each year upon the
32 assessment and tax rolls and such land shall be valued pursuant to RCW
33 84.34.060 or 84.34.065 until removal of all or a portion of such
34 classification by the assessor upon occurrence of any of the following:

35 (a) Receipt of notice from the owner to remove all or a portion of
36 such classification;

1 (b) Sale or transfer to an ownership, except a transfer that
2 resulted from a default in loan payments made to or secured by a
3 governmental agency that intends to or is required by law or regulation
4 to resell the property for the same use as before, making all or a
5 portion of such land exempt from ad valorem taxation;

6 (c) Sale or transfer of all or a portion of such land to a new
7 owner, unless the new owner has signed a notice of classification
8 continuance, except transfer to an owner who is an heir or devisee of
9 a deceased owner shall not, by itself, result in removal of
10 classification. The signed notice of continuance shall be attached to
11 the real estate excise tax affidavit provided for in RCW 82.45.120(~~(7~~
12 ~~as now or hereafter amended~~)). The notice of continuance shall be on
13 a form prepared by the department of revenue. If the notice of
14 continuance is not signed by the new owner and attached to the real
15 estate excise tax affidavit, all additional taxes calculated pursuant
16 to subsection (3) of this section shall become due and payable by the
17 seller or transferor at time of sale. The county auditor shall not
18 accept an instrument of conveyance of classified land for filing or
19 recording unless the new owner has signed the notice of continuance or
20 the additional tax has been paid. The seller, transferor, or new owner
21 may appeal the new assessed valuation calculated under subsection (3)
22 of this section to the county board of (~~equalization~~) tax appeals.
23 Jurisdiction is hereby conferred on the county board of
24 (~~equalization~~) tax appeals to hear these appeals;

25 (d) Determination by the assessor, after giving the owner written
26 notice and an opportunity to be heard, that all or a portion of such
27 land no longer meets the criteria for classification under this
28 chapter. The criteria for classification pursuant to this chapter
29 continue to apply after classification has been granted.

30 The granting authority, upon request of an assessor, shall provide
31 reasonable assistance to the assessor in making a determination whether
32 such land continues to meet the qualifications of RCW 84.34.020 (1) or
33 (3). The assistance shall be provided within thirty days of receipt of
34 the request.

35 (2) Within thirty days after such removal of all or a portion of
36 such land from current use classification, the assessor shall notify
37 the owner in writing, setting forth the reasons for such removal. The
38 seller, transferor, or owner may appeal such removal to the county
39 board of (~~equalization~~) tax appeals.

1 (3) Unless the removal is reversed on appeal, the assessor shall
2 revalue the affected land with reference to full market value on the
3 date of removal from classification. Both the assessed valuation
4 before and after the removal of classification shall be listed and
5 taxes shall be allocated according to that part of the year to which
6 each assessed valuation applies. Except as provided in subsection (5)
7 of this section, an additional tax, applicable interest, and penalty
8 shall be imposed which shall be due and payable to the county treasurer
9 thirty days after the owner is notified of the amount of the additional
10 tax. As soon as possible, the assessor shall compute the amount of
11 such an additional tax, applicable interest, and penalty and the
12 treasurer shall mail notice to the owner of the amount thereof and the
13 date on which payment is due. The amount of such additional tax,
14 applicable interest, and penalty shall be determined as follows:

15 (a) The amount of additional tax shall be equal to the difference
16 between the property tax paid as "open space land", "farm and
17 agricultural land", or "timber land" and the amount of property tax
18 otherwise due and payable for the seven years last past had the land
19 not been so classified;

20 (b) The amount of applicable interest shall be equal to the
21 interest upon the amounts of such additional tax paid at the same
22 statutory rate charged on delinquent property taxes from the dates on
23 which such additional tax could have been paid without penalty if the
24 land had been assessed at a value without regard to this chapter;

25 (c) The amount of the penalty shall be as provided in RCW
26 84.34.080. The penalty shall not be imposed if the removal satisfies
27 the conditions of RCW 84.34.070.

28 (4) Additional tax, applicable interest, and penalty, shall become
29 a lien on such land which shall attach at the time such land is removed
30 from classification under this chapter and shall have priority to and
31 shall be fully paid and satisfied before any recognizance, mortgage,
32 judgment, debt, obligation or responsibility to or with which such land
33 may become charged or liable. Such lien may be foreclosed upon
34 expiration of the same period after delinquency and in the same manner
35 provided by law for foreclosure of liens for delinquent real property
36 taxes as provided in RCW 84.64.050 (~~now or as hereafter amended~~).
37 Any additional tax unpaid on its due date shall thereupon become
38 delinquent. From the date of delinquency until paid, interest shall be

1 charged at the same rate applied by law to delinquent ad valorem
2 property taxes.

3 (5) The additional tax, applicable interest, and penalty specified
4 in subsection (3) of this section shall not be imposed if the removal
5 of classification pursuant to subsection (1) of this section resulted
6 solely from:

7 (a) Transfer to a government entity in exchange for other land
8 located within the state of Washington;

9 (b)(i) A taking through the exercise of the power of eminent
10 domain, or (ii) sale or transfer to an entity having the power of
11 eminent domain in anticipation of the exercise of such power, (~~said~~)
12 the entity having manifested its intent in writing or by other official
13 action;

14 (c) A natural disaster such as a flood, windstorm, earthquake, or
15 other such calamity rather than by virtue of the act of the landowner
16 changing the use of such property;

17 (d) Official action by an agency of the state of Washington or by
18 the county or city within which the land is located which disallows the
19 present use of such land;

20 (e) Transfer of land to a church when such land would qualify for
21 exemption pursuant to RCW 84.36.020;

22 (f) Acquisition of property interests by state agencies or agencies
23 or organizations qualified under RCW 84.34.210 and 64.04.130 for the
24 purposes enumerated in those sections: PROVIDED, That at such time as
25 these property interests are not used for the purposes enumerated in
26 RCW 84.34.210 and 64.04.130 the additional tax specified in subsection
27 (3) of this section shall be imposed; or

28 (g) Removal of land classified as farm and agricultural land under
29 RCW 84.34.020(2)(d).

30 **Sec. 33.** RCW 84.36.812 and 1984 c 220 s 9 are each amended to read
31 as follows:

32 All additional taxes imposed under RCW 84.36.262 or 84.36.810 shall
33 become due and payable by the seller or transferor at the time of sale.
34 The county auditor shall not accept an instrument of conveyance unless
35 the additional tax has been paid or the department of revenue has
36 determined that the property is not subject to RCW 84.36.262 or
37 84.36.810. The seller, the transferor, or the new owner may appeal the

1 assessed values upon which the additional tax is based to the county
2 board of ((equalization)) tax appeals.

3 **Sec. 34.** RCW 84.38.040 and 1994 c 301 s 34 are each amended to
4 read as follows:

5 (1) Each claimant electing to defer payment of special assessments
6 and/or real property tax obligations under this chapter shall file with
7 the county assessor, on forms prescribed by the department and supplied
8 by the assessor, a written declaration thereof. The declaration to
9 defer special assessments and/or real property taxes for any year shall
10 be filed no later than thirty days before the tax or assessment is due
11 or thirty days after receiving notice under RCW 84.64.050, whichever is
12 later: PROVIDED, That for good cause shown, the department may waive
13 this requirement.

14 (2) The declaration shall designate the property to which the
15 deferral applies, and shall include a statement setting forth (a) a
16 list of all members of the claimant's household, (b) the claimant's
17 equity value in his or her residence, (c) facts establishing the
18 eligibility for the deferral under the provisions of this chapter, and
19 (d) any other relevant information required by the rules of the
20 department. Each copy shall be signed by the claimant subject to the
21 penalties as provided in chapter 9A.72 RCW for false swearing. The
22 first declaration to defer filed in a county shall include proof of the
23 claimant's age acceptable to the assessor.

24 (3) The county assessor shall determine if each claimant shall be
25 granted a deferral for each year but the claimant shall have the right
26 to appeal this determination to the county board of ((equalization))
27 tax appeals whose decision shall be final as to the deferral of that
28 year.

29 **Sec. 35.** RCW 84.40.038 and 1997 c 294 s 1 are each amended to read
30 as follows:

31 (1) The owner or person responsible for payment of taxes on any
32 property may petition the county board of ((equalization)) tax appeals
33 for a change in the assessed valuation placed upon such property by the
34 county assessor. Such petition must be made on forms prescribed or
35 approved by the department of revenue and any petition not conforming
36 to those requirements or not properly completed shall not be considered
37 by the board. The petition must be filed with the board on or before

1 July 1st of the year of the assessment, within thirty days after the
2 date an assessment or value change notice has been mailed, or within a
3 time limit of up to sixty days adopted by the county legislative
4 authority, whichever is later. If a county legislative authority sets
5 a time limit, the authority may not change the limit for three years
6 from the adoption of the limit.

7 (2) The county board of ((equalization)) tax appeals may waive the
8 filing deadline if the petition is filed within a reasonable time after
9 the filing deadline and the petitioner shows good cause for the late
10 filing. The decision of the county board of ((equalization)) tax
11 appeals regarding a waiver of the filing deadline is final and not
12 appealable under RCW 84.08.130. Good cause may be shown by one or more
13 of the following events or circumstances:

14 (a) Death or serious illness of the taxpayer or his or her
15 immediate family;

16 (b) The taxpayer was absent from the address where the taxpayer
17 normally receives the assessment or value change notice, was absent for
18 more than fifteen days of the days allowed in subsection (1) of this
19 section before the filing deadline, and the filing deadline is after
20 July 1;

21 (c) Incorrect written advice regarding filing requirements received
22 from county board of ((equalization)) tax appeals staff, county
23 assessor's staff, or staff of the property tax advisor designated under
24 RCW 84.48.140;

25 (d) Natural disaster such as flood or earthquake;

26 (e) Delay or loss related to the delivery of the petition by the
27 postal service, and documented by the postal service; or

28 (f) Other circumstances as the department may provide by rule.

29 (3) The owner or person responsible for payment of taxes on any
30 property may request that the appeal be heard by the state board of tax
31 appeals without a hearing by the county board of ((equalization)) tax
32 appeals when the assessor, the owner or person responsible for payment
33 of taxes on the property, and a majority of the county board of
34 ((equalization)) tax appeals agree that a direct appeal to the state
35 board of tax appeals is appropriate. The state board of tax appeals
36 may reject the appeal, in which case the county board of
37 ((equalization)) tax appeals shall consider the appeal under RCW
38 84.48.010. Notice of such a rejection, together with the reason
39 therefor, shall be provided to the affected parties and the county

1 board of ((equalization)) tax appeals within thirty days of receipt of
2 the direct appeal by the state board.

3 **Sec. 36.** RCW 84.40.045 and 1997 c 3 s 107 (Referendum Bill No. 47)
4 are each amended to read as follows:

5 The assessor shall give notice of any change in the assessed value
6 of real property for the tract or lot of land and any improvements
7 thereon no later than thirty days after appraisal: PROVIDED, That no
8 such notice shall be mailed during the period from January 15 to
9 February 15 of each year: PROVIDED FURTHER, That no notice need be
10 sent with respect to changes in valuation of forest land made pursuant
11 to chapter 84.33 RCW.

12 The notice shall contain a statement of both the prior and the new
13 appraised and assessed values, stating separately land and improvement
14 appraised values, and a brief statement of the procedure for appeal to
15 the county board of ((equalization)) tax appeals and the time, date,
16 and place of the meetings of the board.

17 The notice shall be mailed by the assessor to the taxpayer.

18 If any taxpayer, as shown by the tax rolls, holds solely a security
19 interest in the real property which is the subject of the notice,
20 pursuant to a mortgage, contract of sale, or deed of trust, such
21 taxpayer shall, upon written request of the assessor, supply, within
22 thirty days of receipt of such request, to the assessor the name and
23 address of the person making payments pursuant to the mortgage,
24 contract of sale, or deed of trust, and thereafter such person shall
25 also receive a copy of the notice provided for in this section.
26 Willful failure to comply with such request within the time limitation
27 provided for herein shall make such taxpayer subject to a maximum civil
28 penalty of five thousand dollars. The penalties provided for herein
29 shall be recoverable in an action by the county prosecutor, and when
30 recovered shall be deposited in the county current expense fund. The
31 assessor shall make the request provided for by this section during the
32 month of January.

33 **Sec. 37.** RCW 84.40.085 and 1994 c 124 s 22 are each amended to
34 read as follows:

35 No omitted property or omitted value assessment shall be made for
36 any period more than three years preceding the year in which the
37 omission is discovered. The assessor, upon discovery of such omission,

1 shall forward a copy of the amended personal property affidavit along
2 with a letter of particulars informing the taxpayer of the findings and
3 of the taxpayer's right of appeal to the county board of
4 ((~~equalization~~)) tax appeals. Upon request of either the taxpayer or
5 the assessor, the county board of ((~~equalization~~)) tax appeals may be
6 reconvened to act on the omitted property or omitted value assessments.

7 **Sec. 38.** RCW 84.40.150 and 1993 c 33 s 3 are each amended to read
8 as follows:

9 If any person required to list property for taxation and provide
10 the assessor with the list, is prevented by sickness or absence from
11 giving to the assessor such statement, such person or his or her agent
12 having charge of such property, may, at any time before the close of
13 the session of the county board of ((~~equalization~~)) tax appeals, make
14 out and deliver to ((~~said~~)) the board a statement of the same as
15 required by this title, and the board shall, in such case, make an
16 entry thereof, and correct the corresponding item or items in the
17 return made by the assessor, as the case may require; but no such
18 statement shall be received by the ((~~said~~)) board from any person who
19 refused or neglected to make oath to his or her statement when required
20 by the assessor as provided herein; nor from any person unless he or
21 she makes and files with the ((~~said~~)) board an affidavit that he or she
22 was absent from his or her county, without design to avoid the listing
23 of his or her property, or was prevented by sickness from giving the
24 assessor the required statement when called on for that purpose.

25 **Sec. 39.** RCW 84.40.160 and 1997 c 135 s 1 are each amended to read
26 as follows:

27 The assessor shall list all real property according to the largest
28 legal subdivision as near as practicable. The assessor shall make out
29 in the plat and description book in numerical order a complete list of
30 all lands or lots subject to taxation, showing the names and owners, if
31 ((~~to him~~)) known, and if unknown, so stated; the number of acres and
32 lots or parts of lots included in each description of property and the
33 value per acre or lot: PROVIDED, That the assessor shall give to each
34 tract of land where described by metes and bounds a number, to be
35 designated as Tax No. . . . , which ((~~said~~)) number shall be placed on
36 the tax rolls to indicate that certain piece of real property bearing
37 such number, and described by metes and bounds in the plat and

1 description book herein mentioned, and it shall not be necessary to
2 enter a description by metes and bounds on the tax roll of the county,
3 and the assessor's plat and description book shall be kept as a part of
4 the tax collector's records: AND PROVIDED, FURTHER, That the board of
5 county commissioners of any county may by order direct that the
6 property be listed numerically according to lots and blocks or section,
7 township and range, in the smallest platted or government subdivision,
8 and when so listed the value of each block, lot or tract, the value of
9 the improvements thereon and the total value thereof, including
10 improvements thereon, shall be extended after the description of each
11 lot, block or tract, which last extension shall be in the column headed
12 "Total value of each tract, lot or block of land assessed with
13 improvements as returned by the assessor." In carrying the values of
14 (~~said~~) the property into the column representing the equalized value
15 thereof, the county assessor shall include and carry over in one item
16 the equalized valuation of all lots in one block, or land in one
17 section, listed consecutively, which belong to any one person, firm or
18 corporation, and are situated within the same taxing district, and in
19 the assessed value of which the county board of (~~equalization~~) tax
20 appeals has made no change. Where assessed valuations are changed, the
21 equalized valuation must be extended and shown by item.

22 The assessor shall prepare and possess a complete set of maps drawn
23 to indicate parcel configuration for lands in the county. The assessor
24 shall continually update the maps to reflect transfers, conveyances,
25 acquisitions, or any other transaction or event that changes the
26 boundaries of any parcel and shall renumber the parcels or prepare new
27 map pages for any portion of the maps to show combinations or divisions
28 of parcels.

29 **Sec. 40.** RCW 84.40.320 and 1988 c 222 s 18 are each amended to
30 read as follows:

31 The assessor shall add up and note the amount of each column in the
32 detail and assessment lists in such manner as prescribed or approved by
33 the state department of revenue, as will provide a convenient and
34 permanent record of assessment. The assessor shall also make, under
35 proper headings, a certification of the assessment rolls and on the
36 15th day of July shall file the same with the clerk of the county board
37 of (~~equalization~~) tax appeals for the purpose of equalization by the

1 ((said)) board. Such certificate shall be verified by an affidavit,
2 substantially in the following form:

3 State of Washington, County, ss.

4 I,, Assessor, do solemnly swear that the
5 assessment rolls and this certificate contain a correct and full list
6 of all the real and personal property subject to taxation in this
7 county for the assessment year 19. . . ., so far as I have been able to
8 ascertain the same; and that the assessed value set down in the proper
9 column, opposite the several kinds and descriptions of property, is in
10 each case, except as otherwise provided by law, one hundred percent of
11 the true and fair value of such property, to the best of my knowledge
12 and belief, and that the assessment rolls and this certificate are
13 correct, as I verily believe.

14, Assessor.
15 Subscribed and sworn to before me this day of,
16 19. . . .
17 (L. S.), Auditor of county.

18 PROVIDED, That the failure of the assessor to complete the certificate
19 shall in nowise invalidate the assessment. After the same has been
20 duly equalized by the county board of ((equalization)) tax appeals, the
21 same shall be delivered to the county assessor.

22 **Sec. 41.** RCW 84.56.290 and 1991 c 245 s 37 are each amended to
23 read as follows:

24 Whenever any tax shall have been heretofore, or shall be hereafter,
25 canceled, reduced or modified in any final judicial, county board of
26 ((equalization)) tax appeals, state board of tax appeals, or
27 administrative proceeding; or whenever any tax shall have been
28 heretofore, or shall be hereafter canceled by sale of property to any
29 irrigation district under foreclosure proceedings for delinquent
30 irrigation district assessments; or whenever any contracts or leases on
31 public lands shall have been heretofore, or shall be hereafter,
32 canceled and the tax thereon remains unpaid for a period of two years,
33 the director of revenue shall, upon receipt from the county treasurer
34 of a certified copy of the final judgment, order, or decree canceling,
35 reducing, or modifying taxes, or of a certificate from the county
36 treasurer of the cancellation by sale to an irrigation district, or of
37 a certificate from the commissioner of public lands and the county

1 treasurer of the cancellation of public land contracts or leases and
2 nonpayment of taxes thereon, as the case may be, make corresponding
3 entries and corrections on the director's records of the state's
4 portion of reduced or canceled tax.

5 Upon canceling taxes deemed uncollectible, the county commissioners
6 shall notify the county treasurer of such action, whereupon the county
7 treasurer shall deduct on the treasurer's records the amount of such
8 uncollectible taxes due the various state funds and shall immediately
9 notify the department of revenue of the treasurer's action and of the
10 reason therefor; which uncollectible tax shall not then nor thereafter
11 be due or owing the various state funds and the necessary corrections
12 shall be made by the county treasurer upon the quarterly settlement
13 next following.

14 When any assessment of property is made which does not appear on
15 the assessment list certified by the county board of ((equalization))
16 tax appeals to the department of revenue the county assessor shall
17 indicate to the county treasurer the assessments and the taxes due
18 therefrom when the list is delivered to the county treasurer on
19 December 15th. The county treasurer shall then notify the department
20 of revenue of the taxes due the state from the assessments which did
21 not appear on the assessment list certified by the county board of
22 ((equalization)) tax appeals to the department of revenue. The county
23 treasurer shall make proper accounting of all sums collected as either
24 advance tax, compensating or additional tax, or supplemental or omitted
25 tax and shall notify the department of revenue of the amounts due the
26 various state funds according to the levy used in extending such tax,
27 and those amounts shall immediately become due and owing to the various
28 state funds, to be paid to the state treasurer in the same manner as
29 taxes extended on the regular tax roll.

30 **Sec. 42.** RCW 84.56.430 and 1961 c 15 s 84.56.430 are each amended
31 to read as follows:

32 If any tax or portion of any tax heretofore or hereafter levied on
33 any property liable to taxation is prevented from being collected for
34 any year or years, by reason of any erroneous proceeding connected with
35 either the assessment, listing, equalization, levying or collection
36 thereof, or failure of any taxing, assessing, or equalizing officer or
37 board or county board of tax appeals to give notice of any hearing or
38 proceeding connected therewith, or, if any such tax or any portion of

1 any such tax heretofore or hereafter levied has heretofore or is
2 hereafter recovered back after payment by reason of any such erroneous
3 proceedings, the amount of such tax or portion of such tax which should
4 have been paid upon such property except for such erroneous proceeding,
5 shall be added to the tax levied on such property for the year next
6 succeeding the entry of final judgment adjudging such tax or portion of
7 tax to have been void. If any tax or portion of a tax levied against
8 any property for any year has been, or is hereafter adjudged void
9 because of any such erroneous proceeding as hereinbefore set forth, the
10 county and state officers authorized to levy and assess taxes on
11 ((said)) the property shall proceed, in the year next succeeding, to
12 relist and reassess ((said)) the property and to reequalize such
13 assessment, and to relevy and collect the taxes thereon as of the year
14 that ((said)) the void tax or portion of tax was levied, in the same
15 manner, and with the same effect as though no part of ((said)) the void
16 tax had ever been levied or assessed upon ((said)) the property:
17 PROVIDED, That such tax as reassessed and releved shall be figured and
18 determined at the same tax-rate as such erroneous tax was or should
19 have been figured and determined, and in paying the tax so reassessed
20 and releved the taxpayer shall be credited with the amount of any
21 taxes paid upon property retaxed for the year or years for which the
22 reassessment is made.

23 **Sec. 43.** RCW 84.69.020 and 1997 c 393 s 18 are each amended to
24 read as follows:

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

27 (1) Paid more than once; or

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

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

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

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

35 (6) Paid under levies or statutes adjudicated to be illegal or
36 unconstitutional; or

37 (7) Paid as a result of mistake, inadvertence, or lack of knowledge
38 by any person exempted from paying real property taxes or a portion

1 thereof pursuant to RCW 84.36.381 through 84.36.389(~~(, as now or~~
2 ~~hereafter amended~~)); or

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

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

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

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

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

30 (13) Paid on property acquired under RCW 84.60.050, and canceled
31 under RCW 84.60.050(2); or

32 (14) Paid on the basis of an assessed valuation that was reduced
33 under RCW 84.48.065.

34 No refunds under the provisions of this section shall be made
35 because of any error in determining the valuation of property, except
36 as authorized in subsections (9), (10), (11), and (12) of this section
37 nor may any refunds be made if a bona fide purchaser has acquired
38 rights that would preclude the assessment and collection of the
39 refunded tax from the property that should properly have been charged

1 with the tax. Any refunds made on delinquent taxes shall include the
2 proportionate amount of interest and penalties paid. The county
3 treasurer may deduct from moneys collected for the benefit of the
4 state's levy, refunds of the state levy including interest on the levy
5 as provided by this section and chapter 84.68 RCW.

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

12 **Sec. 44.** RCW 84.70.010 and 1997 c 3 s 126 (Referendum Bill No. 47)
13 are each amended to read as follows:

14 (1) If, on or before December 31 in any calendar year, any real or
15 personal property placed upon the assessment roll of that year is
16 destroyed in whole or in part, or is in an area that has been declared
17 a disaster area by the governor and has been reduced in value by more
18 than twenty percent as a result of a natural disaster, the assessed
19 value of such property shall be reduced for that year by an amount
20 determined as follows:

21 (a) First take the assessed value of such taxable property before
22 destruction or reduction in value and deduct therefrom the true and
23 fair value of the remaining property after destruction or reduction in
24 value.

25 (b) Then divide any amount remaining by the number of days in the
26 year and multiply the quotient by the number of days remaining in the
27 calendar year after the date of the destruction or reduction in value
28 of the property.

29 (2) No reduction in the assessed value shall be made more than
30 three years after the date of destruction or reduction in value.

31 (3) The assessor shall make such reduction on his or her own
32 motion; however, the taxpayer may make application for reduction on
33 forms prepared by the department and provided by the assessor. The
34 assessor shall notify the taxpayer of the amount of reduction.

35 (4) If destroyed property is replaced prior to the valuation dates
36 contained in RCW 36.21.080 and 36.21.090, the total taxable value for
37 that year shall not exceed the value as of the appropriate valuation
38 date in RCW 36.21.080 or 36.21.090, whichever is appropriate.

1 (5) The taxpayer may appeal the amount of reduction to the county
2 board of (~~equalization~~) tax appeals within thirty days of
3 notification or July 1st of the year of reduction, whichever is later.
4 The board shall reconvene, if necessary, to hear the appeal.

5 **Sec. 45.** RCW 89.30.394 and 1927 c 254 s 132 are each amended to
6 read as follows:

7 (~~Said~~) The taxes shall be assessed by the county assessors of
8 each county in which any land within the reclamation district is
9 situated, the valuations of the property assessed shall be equalized by
10 the board of (~~equalization~~) tax appeals of each (~~said~~) respective
11 county, and the levy made on estimates furnished by the district board,
12 by the board of county commissioners of each (~~said~~) respective
13 county, at the same time general state and county taxes are assessed,
14 property values equalized and taxes levied respectively.

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