
HOUSE BILL 1492

State of Washington

56th Legislature

1999 Regular Session

By Representatives Carrell, Thomas, Esser, Mielke, Van Luven, Campbell, Boldt, Sump and Pennington

Read first time 01/26/1999. Referred to Committee on Finance.

1 AN ACT Relating to restricting property tax levies in excess of the
2 rate of inflation; amending RCW 84.55.0101 and 84.55.092; creating a
3 new section; and providing an expiration date.

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

5 **Sec. 1.** RCW 84.55.0101 and 1997 c 3 s 204 (Referendum Bill No. 47)
6 are each amended to read as follows:

7 (1) Upon a finding of substantial need, the legislative authority
8 of a taxing district other than the state may provide for the use of a
9 limit factor under this chapter of one hundred six percent or less. An
10 ordinance or resolution declaring a substantial need under this section
11 must specify the nature of the substantial need and the intended
12 purpose or purposes. The additional revenue may be used only for the
13 specified purpose or purposes. A limit factor may be adopted for a
14 period not to exceed nine consecutive years. After the expiration of
15 a period for which a limit factor is adopted, another limit factor may
16 not be adopted for an equal number of years.

17 (2) In districts with legislative authorities of four members or
18 less, two-thirds of the members must approve an ordinance or resolution
19 under this section. In districts with more than four members, a

1 majority plus one vote must approve an ordinance or resolution under
2 this section. The new limit factor shall be effective for taxes
3 collected in the following year only.

4 **Sec. 2.** RCW 84.55.092 and 1998 c 16 s 3 are each amended to read
5 as follows:

6 The regular property tax levy for each taxing district other than
7 the state may be set at the amount which would be allowed otherwise
8 under this chapter if the regular property tax levy for the district
9 for taxes due in prior years beginning with 1986 had been set at the
10 full amount allowed under this chapter, other than under RCW
11 84.55.0101, including any levy authorized under RCW 52.16.160 that
12 would have been imposed but for the limitation in RCW 52.18.065,
13 applicable upon imposition of the benefit charge under chapter 52.18
14 RCW.

15 The purpose of this section is to remove the incentive for a taxing
16 district to maintain its tax levy at the maximum level permitted under
17 this chapter, and to protect the future levy capacity of a taxing
18 district that reduces its tax levy below the level that it otherwise
19 could impose under this chapter, by removing the adverse consequences
20 to future levy capacities resulting from such levy reductions.

21 This section applies to taxes levied for collection before year
22 2000. This section expires January 1, 2000.

23 NEW SECTION. **Sec. 3.** The amendment of RCW 84.55.092 by section 2,
24 chapter . . ., Laws of 1999 (section 2 of this act) applies
25 retrospectively to taxes levied for collection in 1998 and 1999.

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