
SUBSTITUTE HOUSE BILL 2273

State of Washington 56th Legislature 1999 Regular Session

By House Committee on Finance (originally sponsored by Representatives Haigh, Romero, Alexander, Hatfield, DeBolt, Eickmeyer, Wolfe, Rockefeller, Lovick, Lantz and Thomas)

Read first time 04/05/1999. Referred to Committee on .

1 AN ACT Relating to taxation of destroyed property; amending RCW
2 84.70.010; reenacting and amending RCW 84.69.020; and declaring an
3 emergency.

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

5 **Sec. 1.** RCW 84.70.010 and 1997 c 3 s 126 (Referendum Bill No. 47)
6 are each amended to read as follows:

7 (1) If, on or before December 31 in any calendar year, any real or
8 personal property placed upon the assessment roll of that year is
9 destroyed in whole or in part, or is in an area that has been declared
10 a disaster area by the governor and has been reduced in value by more
11 than twenty percent as a result of a natural disaster, the assessed
12 value of such property shall be reduced for that assessment year by an
13 amount determined (~~as follows:~~

14 ~~(a) First take~~) by taking the assessed value of such taxable
15 property before destruction or reduction in value and deduct therefrom
16 the true and fair value of the remaining property after destruction or
17 reduction in value.

18 ~~((b))~~ (2) Taxes levied for collection in the year in which the
19 assessed value has been reduced under subsection (1) of this section

1 shall be abated in whole or in part as provided in this subsection.
2 The amount of taxes to be abated shall be determined by first
3 multiplying the amount deducted from assessed value under subsection
4 (1) of this section by the rate of levy applicable to the property in
5 the tax year. Then divide ((any amount remaining)) the product by the
6 number of days in the year and multiply the quotient by the number of
7 days remaining in the calendar year after the date of the destruction
8 or reduction in value of the property. If taxes abated under this
9 section have been paid, the amount paid shall be refunded under RCW
10 84.69.020. For taxes levied for collection in 1998 and 1999, this
11 subsection (2) applies to property that is destroyed in whole or in
12 part, or is in an area that has been declared a disaster area by the
13 governor and has been reduced in value by more than twenty percent as
14 a result of a natural disaster. For taxes levied for collection in
15 2000 through 2004, this subsection (2) applies to property that is
16 destroyed in whole or in part, or is in an area that has been declared
17 a federal disaster area and has been reduced in value by more than
18 twenty percent as a result of a natural disaster. This subsection (2)
19 does not apply to taxes levied for collection in 2005 and thereafter.

20 ~~((+2))~~ (3) No reduction in the assessed value or abatements shall
21 be made more than three years after the date of destruction or
22 reduction in value.

23 ~~((+3))~~ (4) The assessor shall make such reduction on his or her
24 own motion; however, the taxpayer may make application for reduction on
25 forms prepared by the department and provided by the assessor. The
26 assessor shall notify the taxpayer of the amount of reduction.

27 ~~((+4))~~ (5) If destroyed property is replaced prior to the
28 valuation dates contained in RCW 36.21.080 and 36.21.090, the total
29 taxable value for that assessment year shall not exceed the value as of
30 the appropriate valuation date in RCW 36.21.080 or 36.21.090, whichever
31 is appropriate.

32 (5) The taxpayer may appeal the amount of reduction to the county
33 board of equalization within thirty days of notification or July 1st of
34 the year of reduction, whichever is later. The board shall reconvene,
35 if necessary, to hear the appeal.

36 **Sec. 2.** RCW 84.69.020 and 1998 c 306 s 2 and 1997 c 393 s 18 are
37 each reenacted and amended to read as follows:

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

3 (1) Paid more than once;

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

5 (3) Paid as a result of a clerical error in extending the tax
6 rolls;

7 (4) Paid as a result of other clerical errors in listing property;

8 (5) Paid with respect to improvements which did not exist on
9 assessment date;

10 (6) Paid under levies or statutes adjudicated to be illegal or
11 unconstitutional;

12 (7) Paid as a result of mistake, inadvertence, or lack of knowledge
13 by any person exempted from paying real property taxes or a portion
14 thereof pursuant to RCW 84.36.381 through 84.36.389, as now or
15 hereafter amended;

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

20 (9) Paid on the basis of an assessed valuation which was appealed
21 to the county board of equalization and ordered reduced by the board;

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

28 (11) Paid as a state property tax levied upon property, the
29 assessed value of which has been established by the state board of tax
30 appeals for the year of such levy: PROVIDED, HOWEVER, That the amount
31 refunded shall only be for the difference between the state property
32 tax paid and the amount of state property tax which would, when added
33 to all other property taxes within the one percent limitation of
34 Article VII, section 2 of the state Constitution equal one percent of
35 the assessed value established by the board;

36 (12) Paid on the basis of an assessed valuation which was
37 adjudicated to be unlawful or excessive: PROVIDED, That the amount
38 refunded shall be for the difference between the amount of tax which
39 was paid on the basis of the valuation adjudged unlawful or excessive

1 and the amount of tax payable on the basis of the assessed valuation
2 determined as a result of the proceeding;

3 (13) Paid on property acquired under RCW 84.60.050, and canceled
4 under RCW 84.60.050(2);

5 (14) Paid on the basis of an assessed valuation that was reduced
6 under RCW 84.48.065; (~~or~~)

7 (15) Paid on the basis of an assessed valuation that was reduced
8 under RCW 84.40.039; or

9 (16) Abated under RCW 84.70.010.

10 No refunds under the provisions of this section shall be made
11 because of any error in determining the valuation of property, except
12 as authorized in subsections (9), (10), (11), and (12) of this section
13 nor may any refunds be made if a bona fide purchaser has acquired
14 rights that would preclude the assessment and collection of the
15 refunded tax from the property that should properly have been charged
16 with the tax. Any refunds made on delinquent taxes shall include the
17 proportionate amount of interest and penalties paid. The county
18 treasurer may deduct from moneys collected for the benefit of the
19 state's levy, refunds of the state levy including interest on the levy
20 as provided by this section and chapter 84.68 RCW.

21 The county treasurer of each county shall make all refunds
22 determined to be authorized by this section, and by the first Monday in
23 February of each year, report to the county legislative authority a
24 list of all refunds made under this section during the previous year.
25 The list is to include the name of the person receiving the refund, the
26 amount of the refund, and the reason for the refund.

27 NEW SECTION. **Sec. 3.** If any provision of this act or its
28 application to any person or circumstance is held invalid, the
29 remainder of the act or the application of the provision to other
30 persons or circumstances is not affected.

31 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
32 preservation of the public peace, health, or safety, or support of the
33 state government and its existing public institutions, and takes effect
34 immediately.

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