
HOUSE BILL 3109

State of Washington

56th Legislature

2000 Regular Session

By Representatives Ruderman, Lambert, Dunshee, Linville, Kastama and O'Brien; by request of Governor Locke

Read first time 02/01/2000. Referred to Committee on Finance.

1 AN ACT Relating to property tax relief by spreading property tax
2 valuation increases over four years; amending RCW 84.40.0305; and
3 creating a new section.

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

5 **Sec. 1.** RCW 84.40.0305 and 1997 c 3 s 105 are each amended to read
6 as follows:

7 (1) As used in this section:

8 (a) "Previous assessed value" means the assessed value for the year
9 immediately preceding the year for which a calculation is being made
10 under this section.

11 (b) "Current appraised value" means the appraised value for the
12 year for which a calculation is being made under this section.

13 (c) "Total value increase" means the current appraised value minus
14 the previous assessed value. Total value increase can never be less
15 than zero.

16 (d) "Improvement increase" means the portion of the total value
17 increase attributable to any physical improvements made to the property
18 since the previous assessment, other than improvements exempt under RCW

1 84.36.400 for the year for which a calculation is being made under this
2 section. Improvement increase can never be less than zero.

3 (e) "Market increase" means the total value increase minus the
4 improvement increase. Market increase can never be less than zero.

5 (2) The assessed value of property is equal to the lesser of the
6 current appraised value or a limited value determined under this
7 section. The limited value is equal to the greater of the values
8 determined as follows:

9 (a) In any year in which the market increase is equal to or less
10 than sixty percent of the previous assessed value, the limited value is
11 the improvement increase plus one hundred fifteen percent of the
12 previous assessed value; or

13 (b) In any year in which the market increase is more than sixty
14 percent of the previous assessed value, the limited value for the year
15 of the increase and for each of the three succeeding years is not less
16 than the sum of:

17 (i) The previous assessed value;

18 (ii) The improvement increase; and

19 (iii) Twenty-five percent of the market increase.

20 (3) Upon loss of preferential tax treatment for property that
21 qualifies for preferential tax treatment under chapter 84.14, 84.26,
22 84.33, 84.34, or 84.36 RCW, the previous assessed value shall be the
23 assessed value the property would have had without the preferential tax
24 treatment.

25 (4) The assessed value of real property that has been subdivided or
26 merged is the current appraised value of the parcel or lot formed after
27 the subdivision or merger.

28 (5) The assessed value of new construction and mobile homes under
29 RCW 36.21.080 and 36.21.090 is determined without regard to this
30 section.

31 NEW SECTION. Sec. 2. This act takes effect for taxes levied in
32 2000 for collection in 2001 and thereafter if the proposed amendment to
33 Article VII, section 1 of the state Constitution providing for
34 valuation increases to be phased in over a period of four years is
35 validly submitted to and is approved and ratified by the voters at the

1 next general election. If the proposed amendment is not approved and
2 ratified, this act is void in its entirety.

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