

HOUSE BILL REPORT

SHB 2486

As Passed House:

February 18, 2002

Title: An act relating to the board of tax appeals.

Brief Description: Revising board of tax appeals provisions.

Sponsors: By House Committee on Finance (originally sponsored by Representatives Jarrett, Simpson, Esser, Carrell, McMorris, McDermott, Cox, Romero and Lovick).

Brief History:

Committee Activity:

Finance: 1/29/02, 2/11/02 [DPS].

Floor Activity:

Passed House: 2/18/02, 94-0.

Brief Summary of Substitute Bill

- Property tax appeals to the State Board of Tax Appeals may be filed within 90 days rather than 30 days. This deadline may be waived or extended for good cause.
- If an agency does not serve an order within 90 days after a hearing, the party who filed the appeal is entitled to judgment in its favor.

HOUSE COMMITTEE ON FINANCE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Gombosky, Chair; Berkey, Vice Chair; Cairnes, Ranking Minority Member; Conway, Morris, Nixon, Orcutt, Roach, Santos, Van Luven and Veloria.

Staff: Bob Longman (786-7139).

Background:

The Board of Tax Appeals (BTA) hears appeals and issues decisions for tax disputes. For state excise taxes, the board hears appeals from decisions of the Department of

Revenue. For property taxes, the board hears appeals of Department of Revenue decisions regarding utility valuations and property tax exemptions. The board also hears appeals of property tax valuation decisions by county boards of equalization. County boards of equalization provide the first level of appeal for property owners who dispute the assessed values determined by county assessors. The board also hears appeals of a few other issues as provided by statute.

Any person feeling aggrieved by an action of a county board of equalization may appeal to the BTA by filing a notice of appeal within 30 days after the mailing of the county board decision.

Summary of Substitute Bill:

The time period for appealing a property tax decision of a county board of equalization to the State Board of Tax Appeals is increased from 30 days to 90 days. This deadline may be waived or extended for good cause.

If the BTA does not serve an initial or final order within the 90-day period required by the Administrative Procedure Act, the taxpayer is entitled to judgment in its favor.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: A person appealing property taxes has only 30 days to file an appeal. But the BTA can take as long as it wants to deliver a decision. The same standards should apply to both the taxpayer and the board. There was a drafting error. The bill should only apply to the BTA, and not to other agencies that hear appeals.

Testimony Against: None.

Testified: (In support) Representative Jarrett, prime sponsor; Wilfred Loeken, citizen. (With concerns) Suzanne Mager, Department of Labor and Industries; Art Wang, Office of Administrative Hearings; and Julie Sexton, Department of Revenue.