

SENATE BILL REPORT

SB 6582

As Reported By Senate Committee On:
Ways & Means, February 12, 2002

Title: An act relating to improving property tax administration by merging double amendments, correcting out-of-date terminology, and clarifying procedures.

Brief Description: Improving property tax administration.

Sponsors: Senators Poulsen, Rossi and Fraser; by request of Department of Revenue.

Brief History:

Committee Activity: Ways & Means: 1/31/02, 2/12/02 [DPS].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6582 be substituted therefor, and the substitute bill do pass.

Signed by Senators Brown, Chair; Regala, Vice Chair; Fairley, Vice Chair; Fraser, Hewitt, Honeyford, Kline, Kohl-Welles, Long, Parlette, Poulsen, Rasmussen, Rossi, B. Sheldon, Snyder, Spanel, Thibaudeau, Winsley and Zarelli.

Staff: Terry Wilson (786-7433)

Background: Inaccuracies in the Revised Code of Washington may occur in a variety of ways. Drafting errors may be made in bill drafts and floor amendments or a bill or amendment may not amend all sections necessary. A bill may change a particular term, or an entity may be renamed or abolished, and references to these terms or entities in other provisions of the code become inaccurate.

In a given legislative session, two or more bills may amend the same section of the code without reference to each other. This is often called "double" or "multiple" amendments. Usually there are no substantive conflicts between the multiple amendments to a section of the code. When there are no substantive conflicts, the Code Reviser publishes the section with all amendments incorporated therein.

Summary of Substitute Bill: Technical corrections are made to various provisions of Title 84 RCW which relate to property taxes:

- Several multiple amendments that have been merged by the Code Reviser are reenacted.
- A section that was amended and repealed is repealed.
- An inaccurate reference to the \$9.15 limit in RCW 84.52.043 is corrected to refer to \$5.90.
- The general statute setting boundaries of taxing districts for property tax purposes is amended to reflect that the boundaries of a mosquito control district are established as of September 1 of the year in which the levy is made.

- A reference to the State Board of Education that has been changed to the regional committee on school district organization is corrected.
- Clarification is made that taxes deferred under the senior citizen property tax deferral program do not have to be repaid if the senior citizen's income rises above the eligibility level after the deferral is made and that repayment is required only on death of the owner or sale of the property.
- Clarification is made that exempt business inventories do not have to be listed for personal property tax purposes and that taxable supplies can be listed on an average basis.

Substitute Bill Compared to Original Bill: A clarification of the calculation of the additional tax imposed upon conversion to non-exempt uses of property under the 10-year property tax exemption program for new, rehabilitated, or converted multiple-unit housing was removed. A reference to "rules" is changed to "rules adopted under Title 76 RCW."

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: This is a housekeeping bill. These issues are brought up by taxpayers seeking clarification, when the department implements recent legislation, and when the department adopts rules.

Testimony Against: None.

Testified: Julie Sexton, Department of Revenue.