
HOUSE BILL 1491

State of Washington 57th Legislature 2001 Regular Session

By Representatives Carrell, Lambert, Boldt and Benson

Read first time 01/26/2001. Referred to Committee on Finance.

1 AN ACT Relating to modifying the limit factor for property tax
2 levies; amending RCW 84.55.050; reenacting and amending RCW 84.55.005;
3 creating a new section; repealing RCW 84.55.0101; and providing a
4 contingent effective date.

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

6 **Sec. 1.** RCW 84.55.005 and 1997 c 393 s 20 and 1997 c 3 s 201 are
7 each reenacted and amended to read as follows:

8 As used in this chapter:

9 (1) "Inflation" means the percentage change in the implicit price
10 deflator for personal consumption expenditures for the United States as
11 published for the most recent twelve-month period by the bureau of
12 economic analysis of the federal department of commerce in September of
13 the year before the taxes are payable;

14 (2) "Limit factor" means(\div

15 ~~(a) For taxing districts with a population of less than ten~~
16 ~~thousand in the calendar year prior to the assessment year, one hundred~~
17 ~~six percent;~~

1 ~~(b) For taxing districts for which a limit factor is authorized~~
2 ~~under RCW 84.55.0101, the lesser of the limit factor authorized under~~
3 ~~that section or one hundred six percent;~~

4 ~~(c) For all other districts,~~) the lesser of one hundred six
5 percent or one hundred percent plus inflation; and

6 (3) "Regular property taxes" has the meaning given it in RCW
7 84.04.140.

8 **Sec. 2.** RCW 84.55.050 and 1989 c 287 s 1 are each amended to read
9 as follows:

10 (1) Subject to any otherwise applicable statutory dollar rate
11 limitations, regular property taxes may be levied by or for a taxing
12 district in an amount exceeding the limitations provided for in this
13 chapter if:

14 (a) The legislative authority of the taxing district declares that
15 exceeding the limitations is necessary for the immediate preservation
16 of the public peace, health, or safety, or support of government and
17 its existing public institutions; and

18 (b) Such levy is authorized by a proposition approved by a majority
19 of the voters of the taxing district voting on the proposition at a
20 general election held within the district or at a special election
21 within the taxing district called by the district for the purpose of
22 submitting such proposition to the voters.

23 (2) Any election held pursuant to this section shall be held not
24 more than twelve months prior to the date on which the proposed levy is
25 to be made. The ballot of the proposition shall state the dollar rate
26 proposed and shall clearly state any conditions which are applicable
27 under subsection (3) of this section.

28 ~~((2) After a levy authorized pursuant to this section is made, the~~
29 ~~dollar amount of such levy shall be used for the purpose of computing~~
30 ~~the limitations for subsequent levies provided for in this chapter,~~
31 ~~except as provided in subsection (4) of this section.))~~

32 (3) The period for which increased levies are made under this
33 section shall not exceed nine years. A proposition placed before the
34 voters under this section may:

35 (a) Limit the period for which the increased levy is to be made to
36 less than nine years;

37 (b) Limit the purpose for which the increased levy is to be made ~~((~~
38 ~~but if the limited purpose includes making redemption payments on~~

1 bonds, the period for which the increased levies are made shall not
2 exceed nine years));

3 (c) Set the levy at a rate less than the maximum rate allowed for
4 the district; or

5 (d) Include any combination of the conditions in this subsection.

6 (4) After ((the expiration of a limited period or the satisfaction
7 of a limited purpose, whichever comes first)) a levy authorized under
8 this section expires, subsequent levies shall be computed as if:

9 (a) The ((limited proposition under subsection (3) of)) levy
10 authorized under this section had not been approved; and

11 (b) The taxing district had made levies at the maximum rates which
12 would otherwise have been allowed under this chapter during the years
13 levies were made under ((the limited proposition)) this section.

14 NEW SECTION. Sec. 3. RCW 84.55.0101 (Limit factor--Authorization
15 for taxing district to use one hundred six percent or less--Ordinance
16 or resolution) and 1997 c 3 s 204 are each repealed.

17 NEW SECTION. Sec. 4. Sections 1 through 3 of this act take effect
18 on the day a decision of a court in this state becomes final and
19 invalidates, in whole or in part, the application of sections 5 and 6,
20 chapter 2, Laws of 2001 (Initiative Measure No. 722) to property tax
21 levies.

22 NEW SECTION. Sec. 5. Sections 1 through 3 of this act apply to
23 taxes levied for collection in 2002 and thereafter.

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