
SENATE BILL 6002

State of Washington 57th Legislature 2001 Regular Session

By Senators Rossi and West; by request of Governor Locke

Read first time 02/13/2001. Referred to Committee on Ways & Means.

1 AN ACT Relating to property tax relief by spreading property
2 tax valuation increases over four years; amending RCW 84.40.0305;
3 and 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
9 year immediately preceding the year for which a calculation is
10 being made 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
14 minus the previous assessed value. Total value increase can never
15 be less than zero.

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

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

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

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

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

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

18 (i) The previous assessed value;

19 (ii) The improvement increase; and

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

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

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

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

32 NEW SECTION. Sec. 2. This act takes effect for taxes levied in
33 2001 for collection in 2002 and thereafter if the proposed
34 amendment to Article VII, section 1 of the state Constitution
35 providing for valuation increases to be phased-in over a period of
36 four years is validly submitted to and is approved and ratified by

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

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