

SENATE BILL REPORT

SHB 1278

As Reported By Senate Committee On:
Government Operations & Elections, April 4, 2003

Title: An act relating to listing property for tax purposes.

Brief Description: Listing property for tax purposes.

Sponsors: House Committee on Finance (originally sponsored by Representatives Conway, Cairnes, Kirby and Bush).

Brief History:

Committee Activity: Government Operations & Elections: 3/28/03, 4/4/03 [DP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Roach, Chair; Stevens, Vice Chair; Kastama, McCaslin and Reardon.

Staff: Ronda Larson (786-7429)

Background: Generally, property is subject to property tax each year based on its value. There are two classes of property: real property and personal property. Personal property is everything but land and buildings. Personal property, such as household goods and business inventories, is specifically exempt from property taxes.

Each year, property owners must mail to their county assessor an affidavit listing their taxable personal property. The affidavit must include year of purchase and cost. The owner must sign the affidavit under penalty of perjury.

As part of this process, the assessor must mail the last year's affidavit to the owner for him or her to update.

Summary of Bill: The requirement that personal property affidavits must be signed and verified under penalty of perjury is eliminated. In addition, property owners are given the option of submitting their affidavits to the assessor electronically (e.g., by fax or e-mail) rather than by mail. The assessor also has the option of using electronic transmission when he or she sends the previous year's affidavits to owners.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This bill is priority legislation of the county assessors. A person can file his or her business and occupations tax and income tax on-line. It is ludicrous that you have to sign a personal property tax affidavit and file it by mail. The goal is to improve efficiency of government, increase its production, and reduce its costs. This bill also removes an administrative burden from the business community. It is a voluntary option to file electronically. It is low cost to implement considering the increased efficiency it will produce. Assessors predict that 25 to 35 percent of businesses will be able to file electronically if they have the option. Assessors are moving toward the use of more modern technology. This bill allows more of that.

Testimony Against: None.

Testified: PRO: Michelle Hagen, Washington Association of County Officials; Dennis Pulsipher, Thurston County Assessor's Office.