

---

HOUSE BILL 2107

---

State of Washington

58th Legislature

2003 Regular Session

By Representatives Hinkle, Schindler, Ahern, Cox, Condotta, Anderson, Boldt, Pearson, Woods, Talcott, Schoesler, Clements, McMahan, Bush, Skinner, Chandler, Ericksen, Delvin, Armstrong, Kristiansen and Bailey

Read first time 02/25/2003. Referred to Committee on Finance.

1 AN ACT Relating to restoring the American dream by providing a tax  
2 exemption for property that has declined in value due to shoreline or  
3 growth management regulation; adding a new section to chapter 84.36  
4 RCW; and creating a new section.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 84.36 RCW  
7 to read as follows:

8 (1) Eligible regulated real property is exempt from taxation from  
9 regular property tax levies by the state, city or town, and county.  
10 Eligible regulated real property means real property for which the land  
11 value has been reduced by ten percent or more after November 20, 2002,  
12 as a result of regulation under a shoreline master program adopted  
13 under chapter 90.58 RCW or under an amendment to or new comprehensive  
14 plan or development regulations adopted under chapter 36.70A RCW. The  
15 exemption continues until the cumulative tax savings due to the  
16 exemption equals or exceeds the reduction in value.

17 (2) A claim for exemption shall be made and filed on or before  
18 March 31st with the county assessor. The claim for exemption must be  
19 filed within five years of the adoption of the regulation. To

1 establish the value reduction, the property owner may petition the  
2 county assessor under RCW 84.40.039 or establish the value reduction  
3 through an appraisal report prepared by a state-certified general real  
4 estate appraiser licensed under chapter 18.140 RCW. The value  
5 reduction shall be determined with reference to the value on January  
6 1st of the year in which the regulation under subsection (1) of this  
7 section is adopted.

8 (3) If the value reduction is established by the assessor, the  
9 owner may petition the county board of equalization for a change in the  
10 value reduction within thirty days of being notified of the assessor's  
11 valuation. If the value reduction is established by an appraisal  
12 report, the state, city or town, or county in which the property is  
13 located may petition the county board of equalization for a change in  
14 the value reduction established in the appraisal report within thirty  
15 days of receiving the appraisal report. Upon review by the county  
16 board of equalization, board of tax appeals, or any court, the value  
17 reduction established by an appraisal report is presumed correct,  
18 however, this presumption is not a defense against any correction  
19 indicated by clear, cogent, and convincing evidence.

20 (4) The assessor shall either approve or deny the exemption and  
21 notify the property owner in writing by August 1st. The property owner  
22 may appeal the assessor's determination under the provisions of RCW  
23 84.48.010.

24 (5) The levy for a taxing district in any year shall be reduced as  
25 necessary to prevent exemptions under this section from resulting in a  
26 higher tax rate than would have occurred in the absence of the  
27 exemptions under this section.

28 NEW SECTION. **Sec. 2.** This act applies to taxes levied for  
29 collection in 2004 and thereafter.

--- END ---