
SUBSTITUTE SENATE BILL 5014

State of Washington

59th Legislature

2005 Regular Session

By Senate Committee on Government Operations & Elections (originally sponsored by Senators Fraser and Swecker)

READ FIRST TIME 03/02/05.

1 AN ACT Relating to county treasurer administrative changes;
2 amending RCW 1.12.070, 36.29.010, 63.29.020, 63.29.190, 82.02.020,
3 84.56.020, 84.56.310, and 84.69.020; adding a new section to chapter
4 84.56 RCW; creating a new section; and declaring an emergency.

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

6 **Sec. 1.** RCW 1.12.070 and 1967 c 222 s 1 are each amended to read
7 as follows:

8 Except as otherwise specifically provided by law hereafter:

9 (1) Any report, claim, tax return, statement or other document
10 required to be filed with, or any payment made to the state or to any
11 political subdivision thereof, which is (a) transmitted through the
12 United States mail or private third-party delivery service, shall be
13 deemed filed and received by the state or political subdivision on the
14 date shown by the post office or private third-party delivery service
15 cancellation mark or shipping date stamped or affixed upon the envelope
16 or other appropriate wrapper containing it; or (b) mailed via United
17 States mail or sent by a private third-party delivery service but not
18 received by the state or political subdivision, or where received and
19 the cancellation mark or shipping date is illegible, erroneous, or

1 omitted, shall be deemed filed and received on the date it was mailed
2 if the sender establishes by competent evidence that the report, claim,
3 tax return, statement, remittance, or other document was deposited with
4 a private third-party delivery service or in the United States mail on
5 or before the date due for filing; and in cases of such nonreceipt of
6 a report, tax return, statement, remittance, or other document required
7 by law to be filed, the sender files with the state or political
8 subdivision a duplicate within ten days after written notification is
9 given to the sender by the state or political subdivision of its
10 nonreceipt of such report, tax return, statement, remittance, or other
11 document.

12 (2)(a) If any report, claim, tax return, statement, remittance, or
13 other document is sent by United States registered mail, certified mail
14 or certificate of mailing, a record authenticated by the United States
15 post office of such registration, certification or certificate shall be
16 considered competent evidence that the report, claim, tax return,
17 statement, remittance or other document was delivered to the addressee,
18 and the date of registration, certification or certificate shall be
19 deemed the postmarked date.

20 (b) If any report, claim, tax return, statement, remittance, or
21 other document is sent via private third-party delivery service, a
22 record authenticated by the private third-party delivery service shall
23 be considered competent evidence that the report, claim, tax return,
24 statement, remittance, or other document was delivered to the
25 addressee, and the date of deposit with the private third-party
26 delivery service shall be deemed the shipping date.

27 (3) If the date for filing any report, claim, tax return,
28 statement, remittance, or other document falls upon a Saturday, Sunday
29 or legal holiday, the filing shall be considered timely if performed on
30 the next business day.

31 **Sec. 2.** RCW 36.29.010 and 2002 c 168 s 4 are each amended to read
32 as follows:

33 The county treasurer:

34 (1) Shall receive all money due the county and disburse it on
35 warrants issued and attested by the county auditor and electronic funds
36 transfer under RCW 39.58.750 as attested by the county auditor;

1 (2) Shall issue a receipt in duplicate for all money received other
2 than taxes; the treasurer shall deliver immediately to the person
3 making the payment the original receipt and the duplicate shall be
4 retained by the treasurer;

5 (3) Shall affix on the face of all paid warrants the date of
6 redemption or, in the case of proper contract between the treasurer and
7 a qualified public depository, the treasurer may consider the date
8 affixed by the financial institution as the date of redemption;

9 (4) Shall endorse, before the date of issue by the county or by any
10 taxing district for whom the county treasurer acts as treasurer, on the
11 face of all warrants for which there are not sufficient funds for
12 payment, "interest bearing warrant." When there are funds to redeem
13 outstanding warrants, the county treasurer shall give notice:

14 (a) By publication in a legal newspaper published or circulated in
15 the county; or

16 (b) By posting at three public places in the county if there is no
17 such newspaper; or

18 (c) By notification to the financial institution holding the
19 warrant;

20 (5) Shall pay interest on all interest-bearing warrants from the
21 date of issue to the date of notification;

22 (6) Shall maintain financial records reflecting receipts and
23 disbursement by fund in accordance with generally accepted accounting
24 principles;

25 (7) Shall account for and pay all bonded indebtedness for the
26 county and all special districts for which the county treasurer acts as
27 treasurer;

28 (8) Shall invest all funds of the county or any special district in
29 the treasurer's custody, not needed for immediate expenditure, in a
30 manner consistent with appropriate statutes. If cash is needed to
31 redeem warrants issued from any fund in the custody of the treasurer,
32 the treasurer shall liquidate investments in an amount sufficient to
33 cover such warrant redemptions; and

34 (9) May provide certain collection services for county departments.

35 The treasurer, at the expiration of the term of office, shall make
36 a complete settlement with the county legislative authority, and shall
37 deliver to the successor all public money, books, and papers in the
38 treasurer's possession.

1 Money received by all entities for whom the county treasurer serves
2 as treasurer must be deposited within twenty-four hours in an account
3 designated by the county treasurer unless a waiver is granted by the
4 county treasurer in accordance with RCW 43.09.240.

5 **Sec. 3.** RCW 63.29.020 and 2004 c 168 s 14 are each amended to read
6 as follows:

7 (1) Except as otherwise provided by this chapter, all intangible
8 property, including any income or increment derived therefrom, less any
9 lawful charges, that is held, issued, or owing in the ordinary course
10 of the holder's business and has remained unclaimed by the owner for
11 more than three years after it became payable or distributable is
12 presumed abandoned.

13 (2) Property, with the exception of unredeemed Washington state
14 lottery tickets and unrepresented winning parimutuel tickets, is payable
15 and distributable for the purpose of this chapter notwithstanding the
16 owner's failure to make demand or to present any instrument or document
17 required to receive payment.

18 (3) This chapter does not apply to claims drafts issued by
19 insurance companies representing offers to settle claims unliquidated
20 in amount or settled by subsequent drafts or other means.

21 (4) This chapter does not apply to property covered by chapter
22 63.26 RCW.

23 (5) This chapter does not apply to used clothing, umbrellas, bags,
24 luggage, or other used personal effects if such property is disposed of
25 by the holder as follows:

26 (a) In the case of personal effects of negligible value, the
27 property is destroyed; or

28 (b) The property is donated to a bona fide charity.

29 (6) This chapter does not apply to a gift certificate subject to
30 the prohibition against expiration dates under RCW 19.240.020 or to a
31 gift certificate subject to RCW 19.240.030 through 19.240.060.
32 However, this chapter applies to gift certificates presumed abandoned
33 under RCW 63.29.110.

34 (7) This chapter does not apply to excess proceeds held by
35 counties, cities, towns, and other municipal or quasi-municipal
36 corporations from foreclosures for delinquent property taxes,
37 assessments, or other liens.

1 **Sec. 4.** RCW 63.29.190 and 1993 c 498 s 8 are each amended to read
2 as follows:

3 (1) Except as otherwise provided in subsections (2) and (3) of this
4 section, a person who is required to file a report under RCW 63.29.170
5 shall pay or deliver to the department all abandoned property required
6 to be reported at the time of filing the report.

7 (2) Counties, cities, towns, and other municipal and quasi-
8 municipal corporations that hold funds representing warrants canceled
9 pursuant to RCW 36.22.100 and 39.56.040, uncashed checks, (~~excess~~
10 ~~proceeds from property tax and irrigation district foreclosures,~~) and
11 property tax overpayments or refunds may retain the funds until the
12 owner notifies them and establishes ownership as provided in RCW
13 63.29.135. Counties, cities, towns, or other municipal or quasi-
14 municipal corporations shall provide to the department a report of
15 property it is holding pursuant to this section. The report shall
16 identify the property and owner in the manner provided in RCW 63.29.170
17 and the department shall publish the information as provided in RCW
18 63.29.180.

19 (3) The contents of a safe deposit box or other safekeeping
20 repository presumed abandoned under RCW 63.29.160 and reported under
21 RCW 63.29.170 shall be paid or delivered to the department within six
22 months after the final date for filing the report required by RCW
23 63.29.170.

24 If the owner establishes the right to receive the abandoned
25 property to the satisfaction of the holder before the property has been
26 delivered or it appears that for some other reason the presumption of
27 abandonment is erroneous, the holder need not pay or deliver the
28 property to the department, and the property will no longer be presumed
29 abandoned. In that case, the holder shall file with the department a
30 verified written explanation of the proof of claim or of the error in
31 the presumption of abandonment.

32 (4) The holder of an interest under RCW 63.29.100 shall deliver a
33 duplicate certificate or other evidence of ownership if the holder does
34 not issue certificates of ownership to the department. Upon delivery
35 of a duplicate certificate to the department, the holder and any
36 transfer agent, registrar, or other person acting for or on behalf of
37 a holder in executing or delivering the duplicate certificate is
38 relieved of all liability of every kind in accordance with RCW

1 63.29.200 to every person, including any person acquiring the original
2 certificate or the duplicate of the certificate issued to the
3 department, for any losses or damages resulting to any person by the
4 issuance and delivery to the department of the duplicate certificate.

5 **Sec. 5.** RCW 82.02.020 and 1997 c 452 s 21 are each amended to read
6 as follows:

7 Except only as expressly provided in chapters 67.28 and 82.14 RCW,
8 the state preempts the field of imposing taxes upon retail sales of
9 tangible personal property, the use of tangible personal property,
10 parimutuel wagering authorized pursuant to RCW 67.16.060, conveyances,
11 and cigarettes, and no county, town, or other municipal subdivision
12 shall have the right to impose taxes of that nature. Except as
13 provided in RCW 82.02.050 through 82.02.090, no county, city, town, or
14 other municipal corporation shall impose any tax, fee, or charge,
15 either direct or indirect, on the construction or reconstruction of
16 residential buildings, commercial buildings, industrial buildings, or
17 on any other building or building space or appurtenance thereto, or on
18 the development, subdivision, classification, or reclassification of
19 land. However, this section does not preclude dedications of land or
20 easements within the proposed development or plat which the county,
21 city, town, or other municipal corporation can demonstrate are
22 reasonably necessary as a direct result of the proposed development or
23 plat to which the dedication of land or easement is to apply.

24 This section does not prohibit voluntary agreements with counties,
25 cities, towns, or other municipal corporations that allow a payment in
26 lieu of a dedication of land or to mitigate a direct impact that has
27 been identified as a consequence of a proposed development,
28 subdivision, or plat. A local government shall not use such voluntary
29 agreements for local off-site transportation improvements within the
30 geographic boundaries of the area or areas covered by an adopted
31 transportation program authorized by chapter 39.92 RCW. Any such
32 voluntary agreement is subject to the following provisions:

33 (1) The payment shall be held in a reserve account and may only be
34 expended to fund a capital improvement agreed upon by the parties to
35 mitigate the identified, direct impact;

36 (2) The payment shall be expended in all cases within five years of
37 collection; and

1 (3) Any payment not so expended shall be refunded with interest to
2 be calculated from the original date the deposit was received by the
3 county and at the same rate applied to ((judgments to the property
4 owners of record at the time of the refund)) tax refunds pursuant to
5 RCW 84.69.100; however, if the payment is not expended within five
6 years due to delay attributable to the developer, the payment shall be
7 refunded without interest.

8 No county, city, town, or other municipal corporation shall require
9 any payment as part of such a voluntary agreement which the county,
10 city, town, or other municipal corporation cannot establish is
11 reasonably necessary as a direct result of the proposed development or
12 plat.

13 Nothing in this section prohibits cities, towns, counties, or other
14 municipal corporations from collecting reasonable fees from an
15 applicant for a permit or other governmental approval to cover the cost
16 to the city, town, county, or other municipal corporation of processing
17 applications, inspecting and reviewing plans, or preparing detailed
18 statements required by chapter 43.21C RCW.

19 This section does not limit the existing authority of any county,
20 city, town, or other municipal corporation to impose special
21 assessments on property specifically benefitted thereby in the manner
22 prescribed by law.

23 Nothing in this section prohibits counties, cities, or towns from
24 imposing or permits counties, cities, or towns to impose water, sewer,
25 natural gas, drainage utility, and drainage system charges: PROVIDED,
26 That no such charge shall exceed the proportionate share of such
27 utility or system's capital costs which the county, city, or town can
28 demonstrate are attributable to the property being charged: PROVIDED
29 FURTHER, That these provisions shall not be interpreted to expand or
30 contract any existing authority of counties, cities, or towns to impose
31 such charges.

32 Nothing in this section prohibits a transportation benefit district
33 from imposing fees or charges authorized in RCW 36.73.120 nor prohibits
34 the legislative authority of a county, city, or town from approving the
35 imposition of such fees within a transportation benefit district.

36 Nothing in this section prohibits counties, cities, or towns from
37 imposing transportation impact fees authorized pursuant to chapter
38 39.92 RCW.

1 Nothing in this section prohibits counties, cities, or towns from
2 requiring property owners to provide relocation assistance to tenants
3 under RCW 59.18.440 and 59.18.450.

4 This section does not apply to special purpose districts formed and
5 acting pursuant to Titles 54, 57, or 87 RCW, nor is the authority
6 conferred by these titles affected.

7 NEW SECTION. **Sec. 6.** A new section is added to chapter 84.56 RCW
8 to read as follows:

9 Every person who offers a document to the auditor of the proper
10 county for recording that results in any division, alteration, or
11 adjustment of real property boundary lines, except as provided for in
12 RCW 58.04.007(1) and 84.40.042(1)(c), shall present a certificate of
13 payment from the proper officer who is in charge of the collection of
14 taxes and assessments for the affected property or properties. All
15 taxes and assessments, both current and delinquent must be paid. For
16 purposes of this act, liability shall begin on January 1st. Taxes not
17 yet levied and certified shall be collected as an advance tax under RCW
18 58.08.040.

19 **Sec. 7.** RCW 84.56.020 and 2004 c 161 s 6 are each amended to read
20 as follows:

21 (1) The county treasurer shall be the receiver and collector of all
22 taxes extended upon the tax rolls of the county, whether levied for
23 state, county, school, bridge, road, municipal or other purposes, and
24 also of all fines, forfeitures or penalties received by any person or
25 officer for the use of his or her county. All taxes upon real and
26 personal property made payable by the provisions of this title shall be
27 due and payable to the treasurer on or before the thirtieth day of
28 April and, except as provided in this section, shall be delinquent
29 after that date.

30 (2) Each tax statement shall include a notice that checks for
31 payment of taxes may be made payable to "Treasurer of
32 County" or other appropriate office, but tax statements shall not
33 include any suggestion that checks may be made payable to the name of
34 the individual holding the office of treasurer nor any other
35 individual.

1 (3) When the total amount of tax or special assessments on personal
2 property or on any lot, block or tract of real property payable by one
3 person is fifty dollars or more, and if one-half of such tax be paid on
4 or before the thirtieth day of April, the remainder of such tax shall
5 be due and payable on or before the thirty-first day of October
6 following and shall be delinquent after that date.

7 (4) When the total amount of tax or special assessments on any lot,
8 block or tract of real property or on any mobile home payable by one
9 person is fifty dollars or more, and if one-half of such tax be paid
10 after the thirtieth day of April but before the thirty-first day of
11 October, together with the applicable interest and penalty on the full
12 amount of tax payable for that year, the remainder of such tax shall be
13 due and payable on or before the thirty-first day of October following
14 and shall be delinquent after that date.

15 (5) Delinquent taxes under this section are subject to interest at
16 the rate of twelve percent per annum computed on a monthly basis on the
17 full year amount of tax unpaid from the date of delinquency until paid.
18 Interest shall be calculated at the rate in effect at the time of
19 payment of the tax, regardless of when the taxes were first delinquent.
20 In addition, delinquent taxes under this section are subject to
21 penalties as follows:

22 (a) A penalty of three percent of the full year amount of tax
23 unpaid shall be assessed on the tax delinquent on June 1st of the year
24 in which the tax is due.

25 (b) An additional penalty of eight percent shall be assessed on the
26 amount of tax delinquent on December 1st of the year in which the tax
27 is due.

28 (6) Subsection (5) of this section notwithstanding, no interest or
29 penalties may be assessed (~~for the period April 30, 2003, through~~
30 ~~April 30, 2005,~~) during any period of armed conflict on delinquent
31 taxes imposed (~~for collection in 2003 or 2004 which are imposed~~) on
32 the personal residences owned by active duty military personnel who
33 (~~participated in the situation known as "Operation Enduring~~
34 ~~Freedom."~~) are participating as part of one of the branches of the
35 military involved in the conflict and assigned to a duty station
36 outside the territorial boundaries of the United States.

37 (7) For purposes of this chapter, "interest" means both interest
38 and penalties.

1 (8) All collections of interest on delinquent taxes shall be
2 credited to the county current expense fund; but the cost of
3 foreclosure and sale of real property, and the fees and costs of
4 distraint and sale of personal property, for delinquent taxes, shall,
5 when collected, be credited to the operation and maintenance fund of
6 the county treasurer prosecuting the foreclosure or distraint or sale;
7 and shall be used by the county treasurer as a revolving fund to defray
8 the cost of further foreclosure, distraint and sale for delinquent
9 taxes without regard to budget limitations.

10 **Sec. 8.** RCW 84.56.310 and 1961 c 15 s 84.56.310 are each amended
11 to read as follows:

12 Any person being the owner or having an interest in an estate or
13 claim to real property against which taxes (~~shall have been unpaid~~)
14 have not been paid may pay the same and satisfy the lien at any time
15 before (~~execution of a deed to said~~) the filing of a certificate of
16 delinquency against the real property. The person or authority who
17 shall collect or receive the same shall give a certificate that such
18 taxes have been so paid to the person or persons entitled to demand
19 such certificate. After the filing of a certificate of delinquency,
20 the redemption rights shall be controlled by RCW 84.64.060.

21 **Sec. 9.** RCW 84.69.020 and 2002 c 168 s 11 are each amended to read
22 as follows:

23 On the order of the county treasurer, ad valorem taxes paid before
24 or after delinquency shall be refunded if they were:

- 25 (1) Paid more than once;
- 26 (2) Paid as a result of manifest error in description;
- 27 (3) Paid as a result of a clerical error in extending the tax
28 rolls;
- 29 (4) Paid as a result of other clerical errors in listing property;
- 30 (5) Paid with respect to improvements which did not exist on
31 assessment date;
- 32 (6) Paid under levies or statutes adjudicated to be illegal or
33 unconstitutional;
- 34 (7) Paid as a result of mistake, inadvertence, or lack of knowledge
35 by any person exempted from paying real property taxes or a portion

1 thereof pursuant to RCW 84.36.381 through 84.36.389, as now or
2 hereafter amended;

3 (8) Paid as a result of mistake, inadvertence, or lack of knowledge
4 by either a public official or employee or by any person with respect
5 to real property in which the person paying the same has no legal
6 interest;

7 (9) Paid on the basis of an assessed valuation which was appealed
8 to the county board of equalization and ordered reduced by the board;

9 (10) Paid on the basis of an assessed valuation which was appealed
10 to the state board of tax appeals and ordered reduced by the board:
11 PROVIDED, That the amount refunded under subsections (9) and (10) of
12 this section shall only be for the difference between the tax paid on
13 the basis of the appealed valuation and the tax payable on the
14 valuation adjusted in accordance with the board's order;

15 (11) Paid as a state property tax levied upon property, the
16 assessed value of which has been established by the state board of tax
17 appeals for the year of such levy: PROVIDED, HOWEVER, That the amount
18 refunded shall only be for the difference between the state property
19 tax paid and the amount of state property tax which would, when added
20 to all other property taxes within the one percent limitation of
21 Article VII, section 2 of the state Constitution equal one percent of
22 the assessed value established by the board;

23 (12) Paid on the basis of an assessed valuation which was
24 adjudicated to be unlawful or excessive: PROVIDED, That the amount
25 refunded shall be for the difference between the amount of tax which
26 was paid on the basis of the valuation adjudged unlawful or excessive
27 and the amount of tax payable on the basis of the assessed valuation
28 determined as a result of the proceeding;

29 (13) Paid on property acquired under RCW 84.60.050, and canceled
30 under RCW 84.60.050(2);

31 (14) Paid on the basis of an assessed valuation that was reduced
32 under RCW 84.48.065;

33 (15) Paid on the basis of an assessed valuation that was reduced
34 under RCW 84.40.039; or

35 (16) Abated under RCW 84.70.010.

36 No refunds under the provisions of this section shall be made
37 because of any error in determining the valuation of property, except
38 as authorized in subsections (9), (10), (11), and (12) of this section

1 nor may any refunds be made if a bona fide purchaser has acquired
2 rights that would preclude the assessment and collection of the
3 refunded tax from the property that should properly have been charged
4 with the tax. Any refunds made on delinquent taxes shall include the
5 proportionate amount of interest and penalties paid. However, no
6 refunds as a result of an incorrect payment authorized under subsection
7 (8) of this section made by a third party payee shall (~~not include~~
8 ~~refund interest~~) be granted. The county treasurer may deduct from
9 moneys collected for the benefit of the state's levy, refunds of the
10 state levy including interest on the levy as provided by this section
11 and chapter 84.68 RCW.

12 The county treasurer of each county shall make all refunds
13 determined to be authorized by this section, and by the first Monday in
14 February of each year, report to the county legislative authority a
15 list of all refunds made under this section during the previous year.
16 The list is to include the name of the person receiving the refund, the
17 amount of the refund, and the reason for the refund.

18 NEW SECTION. Sec. 10. Section 7 of this act applies to all taxes
19 levied for collection in 2005 and thereafter.

20 NEW SECTION. Sec. 11. This act is necessary for the immediate
21 preservation of the public peace, health, or safety, or support of the
22 state government and its existing public institutions, and takes effect
23 immediately.

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