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SENATE BILL 5026

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State of Washington                      59th Legislature                      2005 Regular Session

By Senators Regala, Honeyford, Fraser and Parlette

Read first time 01/10/2005. Referred to Committee on Ways & Means.

1            AN ACT Relating to tax abatements for property damaged or destroyed  
2 by natural disasters; and amending RCW 84.70.010.

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

4            **Sec. 1.** RCW 84.70.010 and 2001 c 187 s 26 are each amended to read  
5 as follows:

6            (1) If, on or before December 31 in any calendar year, any real or  
7 personal property placed upon the assessment roll of that year is  
8 destroyed in whole or in part, or is in an area that has been declared  
9 a disaster area (~~by the governor~~) and has been reduced in value by  
10 more than twenty percent as a result of a natural disaster, the true  
11 and fair value of such property shall be reduced for that assessment  
12 year by an amount determined by taking the true and fair value of such  
13 taxable property before destruction or reduction in value and deduct  
14 therefrom the true and fair value of the remaining property after  
15 destruction or reduction in value.

16            (2) Taxes levied for collection in the year in which the true and  
17 fair value has been reduced under subsection (1) of this section shall  
18 be abated in whole or in part as provided in this subsection. The  
19 amount of taxes to be abated shall be determined by first multiplying

1 the amount deducted from the true and fair value under subsection (1)  
2 of this section by the rate of levy applicable to the property in the  
3 tax year. Then divide the product by the number of days in the year  
4 and multiply the quotient by the number of days remaining in the  
5 calendar year after the date of the destruction or reduction in value  
6 of the property. If taxes abated under this section have been paid,  
7 the amount paid shall be refunded under RCW 84.69.020. (~~For taxes~~  
8 ~~levied for collection in 1998 and 1999, this subsection (2) applies to~~  
9 ~~property that is destroyed in whole or in part, or is in an area that~~  
10 ~~has been declared a disaster area by the governor and has been reduced~~  
11 ~~in value by more than twenty percent as a result of a natural disaster.~~  
12 ~~For taxes levied for collection in 2000 through 2004, this subsection~~  
13 ~~(2) applies to property that is destroyed in whole or in part, or is in~~  
14 ~~an area that has been declared a federal disaster area and has been~~  
15 ~~reduced in value by more than twenty percent as a result of a natural~~  
16 ~~disaster. This subsection (2) does not apply to taxes levied for~~  
17 ~~collection in 2005 and thereafter.)) The tax relief provided for in  
18 this section for the tax year in which the damage or destruction  
19 occurred does not apply to property damaged or destroyed voluntarily.~~

20 (3) No reduction in the true and fair value or abatements shall be  
21 made more than three years after the date of destruction or reduction  
22 in value.

23 (4) The assessor shall make such reduction on his or her own  
24 motion; however, the taxpayer may make application for reduction on  
25 forms prepared by the department and provided by the assessor. The  
26 assessor shall notify the taxpayer of the amount of reduction.

27 (5) If destroyed property is replaced prior to the valuation dates  
28 contained in RCW 36.21.080 and 36.21.090, the total taxable value for  
29 that assessment year shall not exceed the value as of the appropriate  
30 valuation date in RCW 36.21.080 or 36.21.090, whichever is appropriate.

31 (6) The taxpayer may appeal the amount of reduction to the county  
32 board of equalization in accordance with the provisions of RCW  
33 84.40.038. The board shall reconvene, if necessary, to hear the  
34 appeal.

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