

---

SENATE BILL 5032

---

State of Washington                      59th Legislature                      2005 Regular Session

By Senators Fairley, Swecker, Regala, Fraser, Kline and Spanel

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

1            AN ACT Relating to the six-year review of property tax exemptions;  
2 adding a new section to chapter 44.28 RCW; and repealing RCW  
3 43.136.010, 43.136.020, 43.136.030, 43.136.040, 43.136.050, and  
4 43.136.070.

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

6            NEW SECTION.    **Sec. 1.** A new section is added to chapter 44.28 RCW  
7 to read as follows:

8            (1) The joint legislative audit and review committee shall review  
9 the tax preferences in Title 84 RCW beginning in 2006 and every six  
10 years thereafter. The review shall be completed and a report prepared  
11 by June 30th of the year a review is required. The review shall not  
12 include an evaluation of any tax preference in chapter 84.36 RCW that  
13 has been in effect less than two years. The department of revenue  
14 shall provide the committee with property tax data necessary to conduct  
15 the review. Upon completion of the review, the committee shall  
16 transmit the report to the appropriate committees of the legislature.  
17 The report shall include the following:

18            (a) Identification of the populations whose tax liabilities are

1 directly affected by the tax preferences in chapter 84.36 RCW under  
2 review;

3 (b) Identification where possible of the legislative objective in  
4 establishing a tax preference and an assessment of the extent to which  
5 the preference has accomplished that objective;

6 (c) An estimate of the additional tax revenues that state and local  
7 governments would collect if a tax preference is eliminated; and

8 (d) An analysis of the change in the distribution of property taxes  
9 if a tax preference is eliminated.

10 (2) As used in this section, "tax preference" means an exemption,  
11 exclusion, or deduction from the base of tax; a credit against tax; a  
12 deferral of tax; or a preferential tax rate.

13 NEW SECTION. **Sec. 2.** The following acts or parts of acts are each  
14 repealed:

15 (1) RCW 43.136.010 (Legislative findings--Intent) and 1982 1st  
16 ex.s. c 35 s 39;

17 (2) RCW 43.136.020 ("Tax preference" defined) and 1982 1st ex.s. c  
18 35 s 40;

19 (3) RCW 43.136.030 (Legislative budget committee and department of  
20 revenue--Review of tax preferences--Reports) and 1982 1st ex.s. c 35 s  
21 41;

22 (4) RCW 43.136.040 (Legislative budget committee review of tax  
23 preferences--Factors for consideration) and 1982 1st ex.s. c 35 s 42;

24 (5) RCW 43.136.050 (Powers and duties of ways and means committees)  
25 and 1982 1st ex.s. c 35 s 43; and

26 (6) RCW 43.136.070 (Report on existing tax preferences to be  
27 provided--Additional information to be provided) and 1982 1st ex.s. c  
28 35 s 45.

--- END ---