
HOUSE BILL 2986

State of Washington 60th Legislature 2008 Regular Session

By Representatives Takko and Schindler

Read first time 01/18/08. Referred to Committee on Finance.

1 AN ACT Relating to property tax collection and assessment; and
2 amending RCW 58.08.040, 84.40.042, 84.56.070, 86.09.490, 84.60.050,
3 87.03.265, 87.03.270, 85.08.480, 82.45.090, and 84.69.030.

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

5 **Sec. 1.** RCW 58.08.040 and 1997 c 393 s 11 are each amended to read
6 as follows:

7 Prior to any person recording a plat, replat, altered plat, or
8 binding site plan subsequent to May 31st in any year and prior to the
9 date of the ((collection of taxes)) completion of the tax roll for
10 collection in the ensuing year, the person shall deposit with the
11 county treasurer a sum equal to the product of the county assessor's
12 latest valuation on the property less improvements in such subdivision
13 multiplied by the current year's dollar rate increased by twenty-five
14 percent on the property platted. The treasurer's receipt shall be
15 evidence of the payment. The treasurer shall appropriate so much of
16 the deposit as will pay the taxes and assessments on the property when
17 the levy rates are certified by the assessor using the value of the
18 property at the time of filing a plat, replat, altered plat, or binding

1 site plan, and in case the sum deposited is in excess of the amount
2 necessary for the payment of the taxes and assessments, the treasurer
3 shall return, to the party depositing, the amount of excess.

4 **Sec. 2.** RCW 84.40.042 and 2002 c 168 s 8 are each amended to read
5 as follows:

6 (1) When real property is divided in accordance with chapter 58.17
7 RCW, the assessor shall carefully investigate and ascertain the true
8 and fair value of each lot and assess each lot on that same basis,
9 unless specifically provided otherwise by law. For purposes of this
10 section, "lot" has the same definition as in RCW 58.17.020.

11 (a) For each lot on which an advance tax deposit has been paid in
12 accordance with RCW 58.08.040, the assessor shall establish the true
13 and fair value by October 30 of the year following the recording of the
14 plat, replat, altered plat, or binding site plan. The value
15 established shall be the value of the lot as of January 1 of the year
16 the original parcel of real property was last revalued. An additional
17 property tax shall not be due on the land until the calendar year
18 following the year for which the advance tax deposit was paid if the
19 deposit was sufficient to pay the full amount of the taxes due on the
20 property.

21 (b) For each lot on which an advance tax deposit has not been paid,
22 the assessor shall establish the true and fair value not later than the
23 calendar year following the recording of the plat, map, subdivision, or
24 replat. For purposes of this section, "subdivision" means a division
25 of land into two or more lots.

26 (c) For each subdivision, all current year and delinquent taxes and
27 assessments on the entire tract must be paid in full in accordance with
28 RCW 58.17.160 and 58.08.030 except when property is being acquired by
29 a government for public use. For purposes of this section, "current
30 year taxes" means taxes that are collectible under RCW 84.56.010
31 subsequent to ~~((February 14))~~ completing the tax roll for current year
32 collection.

33 (2) When the assessor is required by law to segregate any part or
34 parts of real property, assessed before or after July 27, 1997, as one
35 parcel or when the assessor is required by law to combine parcels of
36 real property assessed before or after July 27, 1997, as two or more
37 parcels, the assessor shall carefully investigate and ascertain the

1 true and fair value of each part or parts of the real property and each
2 combined parcel and assess each part or parts or each combined parcel
3 on that same basis.

4 **Sec. 3.** RCW 84.56.070 and 2007 c 295 s 5 are each amended to read
5 as follows:

6 ~~((On the fifteenth day of February succeeding the levy of taxes,))~~
7 The county treasurer shall proceed to collect all personal property
8 taxes after first completing the tax roll for the current year's
9 collection. The treasurer shall give notice by mail to all persons
10 charged with personal property taxes, and if such taxes are not paid
11 before they become delinquent, the treasurer shall forthwith proceed to
12 collect the same. In the event that he or she is unable to collect the
13 same when due, the treasurer shall prepare papers in distraint, which
14 shall contain a description of the personal property, the amount of
15 taxes, the amount of the accrued interest at the rate provided by law
16 from the date of delinquency, and the name of the owner or reputed
17 owner. The treasurer shall without demand or notice distraint
18 sufficient goods and chattels belonging to the person charged with such
19 taxes to pay the same, with interest at the rate provided by law from
20 the date of delinquency, together with all accruing costs, and shall
21 proceed to advertise the same by posting written notices in three
22 public places in the county in which such property has been distrained,
23 one of which places shall be at the county court house, such notice to
24 state the time when and place where such property will be sold. The
25 county treasurer, or the treasurer's deputy, shall tax the same fees
26 for making the distraint and sale of goods and chattels for the payment
27 of taxes as are allowed by law to sheriffs for making levy and sale of
28 property on execution; traveling fees to be computed from the county
29 seat of the county to the place of making distraint. If the taxes for
30 which such property is distrained, and the interest and costs accruing
31 thereon, are not paid before the date appointed for such sale, which
32 shall be not less than ten days after the taking of such property, such
33 treasurer or treasurer's designee shall proceed to sell such property
34 at public auction, or so much thereof as shall be sufficient to pay
35 such taxes, with interest and costs, and if there be any excess of
36 money arising from the sale of any personal property, the treasurer
37 shall pay such excess less any cost of the auction to the owner of the

1 property so sold or to his or her legal representative: PROVIDED, That
2 whenever it shall become necessary to distrain any standing timber
3 owned separately from the ownership of the land upon which the same may
4 stand, or any fish trap, pound net, reef net, set net or drag seine
5 fishing location, or any other personal property as the treasurer shall
6 determine to be incapable or reasonably impracticable of manual
7 delivery, it shall be deemed to have been distrained and taken into
8 possession when the treasurer shall have, at least thirty days before
9 the date fixed for the sale thereof, filed with the auditor of the
10 county wherein such property is located a notice in writing reciting
11 that the treasurer has distrained such property, describing it, giving
12 the name of the owner or reputed owner, the amount of the tax due, with
13 interest, and the time and place of sale; a copy of the notice shall
14 also be sent to the owner or reputed owner at his last known address,
15 by registered letter at least thirty days prior to the date of sale:
16 AND PROVIDED FURTHER, That if the county treasurer has reasonable
17 grounds to believe that any personal property, including mobile homes,
18 manufactured homes, or park model trailers, upon which taxes have been
19 levied, but not paid, is about to be removed from the county where the
20 same has been assessed, or is about to be destroyed, sold or disposed
21 of, the county treasurer may demand such taxes, without the notice
22 provided for in this section, and if necessary may forthwith distrain
23 sufficient goods and chattels to pay the same.

24 **Sec. 4.** RCW 86.09.490 and 1937 c 72 s 164 are each amended to read
25 as follows:

26 The assessment upon real property shall be a lien against the
27 property assessed, from and after the first day of January in the year
28 in which the assessment becomes due and payable, but as between grantor
29 and grantee such lien shall not attach until the (~~fifteenth day of~~
30 ~~February of such year, which~~) county treasurer has completed the
31 property tax roll for the current year's collection and provided the
32 notification required by RCW 84.56.020. The lien shall be paramount
33 and superior to any other lien theretofore or thereafter created,
34 whether by mortgage or otherwise, except a lien for undelinquent flood
35 control district assessments, diking or drainage, or diking or drainage
36 improvement, district assessments and for unpaid and outstanding

1 general ad valorem taxes, and such lien shall not be removed until the
2 assessments are paid or the property sold for the payment thereof as
3 provided by law.

4 **Sec. 5.** RCW 84.60.050 and 1994 c 301 s 54 are each amended to read
5 as follows:

6 (1) When real property is acquired by purchase or condemnation by
7 the state of Washington, any county or municipal corporation or is
8 placed under a recorded agreement for immediate possession and use or
9 an order of immediate possession and use pursuant to RCW 8.04.090, such
10 property shall continue to be subject to the tax lien for the years
11 prior to the year in which the property is so acquired or placed under
12 such agreement or order, of any tax levied by the state, county,
13 municipal corporation or other tax levying public body, except as is
14 otherwise provided in RCW 84.60.070.

15 (2) The lien for taxes applicable to the real property being
16 acquired or placed under immediate possession and use for the year in
17 which such real property is so acquired or placed under immediate
18 possession and use shall be for only the pro rata portion of taxes
19 allocable to that portion of the year prior to the date of execution of
20 the instrument vesting title, date of recording such agreement of
21 immediate possession and use, date of such order of immediate
22 possession and use, or date of judgment. No taxes levied or tax lien
23 on such property allocable to a period subsequent to the dates
24 identified in this subsection shall be valid and any such taxes levied
25 shall be canceled as provided in RCW 84.48.065. In the event the owner
26 has paid taxes allocable to that portion of the year subsequent to the
27 dates identified in this subsection he or she shall be entitled to a
28 pro rata refund of the amount paid on the property so acquired or
29 placed under a recorded agreement or an order of immediate possession
30 and use. If the dates identified in this subsection precede (~~February~~
31 ~~15th of~~) the completion of the property tax rolls for the current
32 year's collection in the year in which such taxes become payable, no
33 lien for such taxes shall be valid and any such taxes levied but not
34 payable shall be canceled as provided in RCW 84.48.065.

35 **Sec. 6.** RCW 87.03.265 and 1939 c 171 s 2 are each amended to read
36 as follows:

1 The assessment upon real property shall be a lien against the
2 property assessed, from and after the first day of January in the year
3 in which it is levied, but as between grantor and grantee such lien
4 shall not attach until the (~~(fifteenth day of February of)~~) county
5 treasurer has completed the property tax roll for the current year's
6 collection and provided the notification required by RCW 84.56.020 in
7 the year in which the assessment is payable, which lien shall be
8 paramount and superior to any other lien theretofore or thereafter
9 created, whether by mortgage or otherwise, except for a lien for prior
10 assessments, and such lien shall not be removed until the assessments
11 are paid or the property sold for the payment thereof as provided by
12 law. And the lien for the bonds of any issue shall be a preferred lien
13 to that of any subsequent issue. Also the lien for all payments due or
14 to become due under any contract with the United States, or the state
15 of Washington, accompanying which bonds of the district have not been
16 deposited with the United States or the state of Washington, as in RCW
17 87.03.140 provided, shall be a preferred lien to any issue of bonds
18 subsequent to the date of such contract.

19 **Sec. 7.** RCW 87.03.270 and 1988 c 134 s 13 are each amended to read
20 as follows:

21 The assessment roll, before its equalization and adoption, shall be
22 checked and compared as to descriptions and ownerships, with the county
23 treasurer's land rolls. On or before the fifteenth day of January in
24 each year the secretary must deliver the assessment roll or the
25 respective segregation thereof to the county treasurer of each
26 respective county in which the lands therein described are located, and
27 said assessments shall become due and payable (~~(on the fifteenth day of~~
28 ~~February following)~~) after the county treasurer has completed the
29 property tax roll for the current year's collection and provided the
30 notification required by RCW 84.56.020.

31 All assessments on said roll shall become delinquent on the first
32 day of May following the filing of the roll unless the assessments are
33 paid on or before the thirtieth day of April of said year: PROVIDED,
34 That if an assessment is ten dollars or more for said year and if one-
35 half of the assessment is paid on or before the thirtieth day of April,
36 the remainder shall be due and payable on or before the thirty-first
37 day of October following and shall be delinquent after that date. All

1 delinquent assessments shall bear interest at the rate of twelve
2 percent per annum, computed on a monthly basis and without compounding,
3 from the date of delinquency until paid.

4 Upon receiving the assessment roll the county treasurer shall
5 prepare therefrom an assessment book in which shall be written the
6 description of the land as it appears in the assessment roll, the name
7 of the owner or owners where known, and if assessed to the unknown
8 owners, then the word "unknown", and the total assessment levied
9 against each tract of land. Proper space shall be left in said book
10 for the entry therein of all subsequent proceedings relating to the
11 payment and collection of said assessments.

12 On or before April 1st of each year, the treasurer of the district
13 shall send a statement of assessments due. County treasurers who
14 collect irrigation district assessments may send the statement of
15 irrigation district assessments together with the statement of general
16 taxes.

17 Upon payment of any assessment the county treasurer must enter the
18 date of said payment in said assessment book opposite the description
19 of the land and the name of the person paying and give a receipt to
20 such person specifying the amount of the assessment and the amount paid
21 with the description of the property assessed.

22 It shall be the duty of the treasurer of the district to furnish
23 upon request of the owner, or any person interested, a statement
24 showing any and all assessments levied as shown by the assessment roll
25 in his office upon land described in such request. All statements of
26 irrigation district assessments covering any land in the district shall
27 show the amount of the irrigation district assessment, the dates on
28 which the assessment is due, the place of payment, and, if the property
29 was sold for delinquent assessments in a prior year, the amount of the
30 delinquent assessment and the notation "certificate issued": PROVIDED,
31 That the failure of the treasurer to render any statement herein
32 required of him shall not render invalid any assessments made by any
33 irrigation district.

34 It shall be the duty of the county treasurer of any county, other
35 than the county in which the office of the board of directors is
36 located, to make monthly remittances to the county treasurer of the
37 county in which the office of the board of directors is located

1 covering all amounts collected by him for the irrigation district
2 during the preceding month.

3 When the treasurer collects a delinquent assessment, the treasurer
4 shall collect any other amounts due by reason of the delinquency,
5 including accrued costs, which shall be deposited to the treasurer's
6 operation and maintenance fund.

7 **Sec. 8.** RCW 85.08.480 and 1933 c 125 s 2 are each amended to read
8 as follows:

9 The respective installments of assessments for construction or
10 maintenance of improvements made under the provisions of this chapter,
11 shall be collected in the same manner and shall become delinquent at
12 the same time as general taxes, certificates of delinquency shall be
13 issued, and the lien of the assessment shall be enforced by foreclosure
14 and sale of the property assessed, as in the case of general taxes, all
15 according to the laws in force on January 1, 1923, except as
16 hereinafter specifically provided.

17 The annual assessments or installments of assessments, both for
18 construction and for maintenance and repairs of the diking and/or
19 drainage system shall become due in two equal installments, one-half
20 being payable on or before (~~May~~) April 30th, and the other half on or
21 before (~~November 30th~~) October 31st; and delinquency interest thereon
22 shall run from said dates on said respective halves of said
23 assessments.

24 The rate of interest thereon after delinquency, also the rate of
25 interest borne by certificates of delinquency, shall be (~~ten~~) twelve
26 percent per annum. Certificates of delinquency for any assessment or
27 installment thereof shall be issued upon demand and payment of such
28 delinquent assessment and the fee for the same at any time after the
29 expiration of twelve months after the date of delinquency thereof. In
30 case no certificate of delinquency be issued after the expiration of
31 four years from date of delinquency of assessments for construction
32 costs, or after the expiration of two years from date of delinquency of
33 assessments for maintenance or repairs, certificates of delinquency
34 shall be issued to the county, and foreclosure thereof shall forthwith
35 be effected in the manner provided in (~~sections 11292 to 11317~~
36 inclusive) chapter 84.64 RCW.

1 The holder of a certificate of delinquency for any drainage, diking
2 or sewerage improvement district or consolidated district assessment or
3 installment thereof may pay any delinquent general taxes upon the
4 property described therein, and may redeem any certificate of
5 delinquency for general taxes against said property and the amount so
6 paid together with interest thereon at the rate provided by law shall
7 be included in the lien of said certificate of delinquency.

8 The expense of foreclosure proceedings by the county shall be paid
9 by the districts whose liens are foreclosed: Costs of foreclosure by
10 the county or private persons as provided by law, shall be included in
11 the judgment of foreclosure.

12 **Sec. 9.** RCW 82.45.090 and 2003 c 53 s 404 are each amended to read
13 as follows:

14 (1) Except for a sale of a beneficial interest in real property
15 where no instrument evidencing the sale is recorded in the official
16 real property records of the county in which the property is located,
17 the tax imposed by this chapter shall be paid to and collected by the
18 treasurer of the county within which is located the real property which
19 was sold. In collecting the tax the treasurer shall act as agent for
20 the state. The county treasurer shall cause a ((stamp)) verification
21 of payment evidencing satisfaction of the lien to be affixed to the
22 instrument of sale or conveyance prior to its recording or to the real
23 estate excise tax affidavit in the case of used mobile home sales and
24 used floating home sales. A receipt issued by the county treasurer for
25 the payment of the tax imposed under this chapter shall be evidence of
26 the satisfaction of the lien imposed hereunder and may be recorded in
27 the manner prescribed for recording satisfactions of mortgages. No
28 instrument of sale or conveyance evidencing a sale subject to the tax
29 shall be accepted by the county auditor for filing or recording until
30 the tax shall have been paid and the ((stamp)) verification of payment
31 affixed thereto; in case the tax is not due on the transfer, the
32 instrument shall not be so accepted until suitable notation of such
33 fact has been made on the instrument by the treasurer. The county
34 treasurer shall require a verification of payment that evidences
35 satisfaction of all property tax upon a used mobile home, used
36 manufactured home, used park model mobile home, or used floating home,
37 to be affixed to any instrument of sale or conveyance thereof, or upon

1 the real estate excise tax affidavit. No real estate excise tax
2 affidavit, instrument of sale, or conveyance for a used mobile home,
3 used manufactured home, used park model mobile home, or used floating
4 home will be accepted by the county auditor for filing or recording
5 until the property tax has been paid and the verification of payment
6 affixed thereto.

7 (2) For a sale of a beneficial interest in real property where a
8 tax is due under this chapter and where no instrument is recorded in
9 the official real property records of the county in which the property
10 is located, the sale shall be reported to the department of revenue
11 within five days from the date of the sale on such returns or forms and
12 according to such procedures as the department may prescribe. Such
13 forms or returns shall be signed by both the transferor and the
14 transferee and shall be accompanied by payment of the tax due.

15 (3) Any person who intentionally makes a false statement on any
16 return or form required to be filed with the department under this
17 chapter is guilty of perjury under chapter 9A.72 RCW.

18 **Sec. 10.** RCW 84.69.030 and 1991 c 245 s 32 are each amended to
19 read as follows:

20 (~~Except in cases wherein the county legislative authority acts~~
21 ~~upon its own motion,~~) No orders for a refund under this chapter shall
22 be made except on a claim:

23 (1) Verified by the person who paid the tax, the person's guardian,
24 executor or administrator; and

25 (2) Filed with the county treasurer within three years after
26 (~~making~~) the due date of the payment sought to be refunded; and

27 (3) Stating the statutory ground upon which the refund is claimed.

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