

SENATE BILL REPORT

SB 5521

As of February 11, 2009

Title: An act relating to the property taxation and valuation of standing trees within urban growth area boundaries.

Brief Description: Concerning the property taxation and valuation of standing trees within urban growth area boundaries.

Sponsors: Senator Jacobsen.

Brief History:

Committee Activity: Natural Resources, Ocean & Recreation: 2/11/09.

SENATE COMMITTEE ON NATURAL RESOURCES, OCEAN & RECREATION

Staff: Sherry McNamara (786-7402)

Background: Property taxes are levied by state and local governments. Property taxes apply to both real property, which includes land, buildings, and fixtures attached to buildings, and personal property, which includes all other property, including tangible and intangible property.

Property taxes are administered by the counties at the local level for most types of property. The county assessor determines the assessed value for each property. The county assessor also calculates the tax rate necessary to raise the correct amount of property taxes for each taxing district. The property tax bill for an individual property is determined by multiplying the assessed value of the property by the tax rate for each taxing district in which the property is located.

A county planning under all of the requirements of the Growth Management Act must designate urban growth areas within the county. Every city must be included within an urban growth area.

Summary of Bill: An exemption from property taxation is provided for any standing tree on real property located in an urban growth area boundary, if the taxpayer provides the county assessor documentation on the value of the tree or trees.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The value of the tree or trees must be determined by a certified arborist at the taxpayer's expense. The county assessor must include the exempt value of the standing tree or trees as part of the appraisal. The county assessor must then reduce the value of the real property consistent with the exempt value of any standing trees on the property.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: CON: During the property appraisal process, the county assessors do not capture the value of trees and shrubs; they are looking at the market value of the property. We are nervous about having an arborist enter into this appraisal process as well as how would we have to change our current administrative process to accommodate what is required in this bill.

Persons Testifying: CON: Robert Carlton, Washington Association of County Officials.