
SECOND SUBSTITUTE HOUSE BILL 1208

State of Washington 61st Legislature 2009 Regular Session

By House Finance (originally sponsored by Representatives Takko and Alexander)

READ FIRST TIME 03/03/09.

1 AN ACT Relating to property tax administration; and amending RCW
2 84.40.042, 84.56.070, 86.09.490, 84.60.050, 87.03.265, 87.03.270,
3 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 84.40.042 and 2008 c 17 s 1 are each amended to read
6 as follows:

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

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

1 the advance tax deposit was paid if the deposit was sufficient to pay
2 the full amount of the taxes due on the property.

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

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

15 (2) When the assessor is required by law to segregate any part or
16 parts of real property, assessed before or after July 27, 1997, as one
17 parcel or when the assessor is required by law to combine parcels of
18 real property assessed before or after July 27, 1997, as two or more
19 parcels, the assessor shall carefully investigate and ascertain the
20 true and fair value of each part or parts of the real property and each
21 combined parcel and assess each part or parts or each combined parcel
22 on that same basis.

23 **Sec. 2.** RCW 84.56.070 and 2007 c 295 s 5 are each amended to read
24 as follows:

25 ~~((On the fifteenth day of February succeeding the levy of taxes,))~~
26 The county treasurer shall proceed to collect all personal property
27 taxes after first completing the tax roll for the current year's
28 collection. The treasurer shall give notice by mail to all persons
29 charged with personal property taxes, and if such taxes are not paid
30 before they become delinquent, the treasurer shall forthwith proceed to
31 collect the same. In the event that he or she is unable to collect the
32 same when due, the treasurer shall prepare papers in distraint, which
33 shall contain a description of the personal property, the amount of
34 taxes, the amount of the accrued interest at the rate provided by law
35 from the date of delinquency, and the name of the owner or reputed
36 owner. The treasurer shall without demand or notice distraint
37 sufficient goods and chattels belonging to the person charged with such

1 taxes to pay the same, with interest at the rate provided by law from
2 the date of delinquency, together with all accruing costs, and shall
3 proceed to advertise the same by posting written notices in three
4 public places in the county in which such property has been distrained,
5 one of which places shall be at the county court house, such notice to
6 state the time when and place where such property will be sold. The
7 county treasurer, or the treasurer's deputy, shall tax the same fees
8 for making the distraint and sale of goods and chattels for the payment
9 of taxes as are allowed by law to sheriffs for making levy and sale of
10 property on execution; traveling fees to be computed from the county
11 seat of the county to the place of making distraint. If the taxes for
12 which such property is distrained, and the interest and costs accruing
13 thereon, are not paid before the date appointed for such sale, which
14 shall be not less than ten days after the taking of such property, such
15 treasurer or treasurer's designee shall proceed to sell such property
16 at public auction, or so much thereof as shall be sufficient to pay
17 such taxes, with interest and costs, and if there be any excess of
18 money arising from the sale of any personal property, the treasurer
19 shall pay such excess less any cost of the auction to the owner of the
20 property so sold or to his or her legal representative: PROVIDED, That
21 whenever it shall become necessary to distrain any standing timber
22 owned separately from the ownership of the land upon which the same may
23 stand, or any fish trap, pound net, reef net, set net or drag seine
24 fishing location, or any other personal property as the treasurer shall
25 determine to be incapable or reasonably impracticable of manual
26 delivery, it shall be deemed to have been distrained and taken into
27 possession when the treasurer shall have, at least thirty days before
28 the date fixed for the sale thereof, filed with the auditor of the
29 county wherein such property is located a notice in writing reciting
30 that the treasurer has distrained such property, describing it, giving
31 the name of the owner or reputed owner, the amount of the tax due, with
32 interest, and the time and place of sale; a copy of the notice shall
33 also be sent to the owner or reputed owner at his last known address,
34 by registered letter at least thirty days prior to the date of sale:
35 AND PROVIDED FURTHER, That if the county treasurer has reasonable
36 grounds to believe that any personal property, including mobile homes,
37 manufactured homes, or park model trailers, upon which taxes have been
38 levied, but not paid, is about to be removed from the county where the

1 same has been assessed, or is about to be destroyed, sold or disposed
2 of, the county treasurer may demand such taxes, without the notice
3 provided for in this section, and if necessary may forthwith distrain
4 sufficient goods and chattels to pay the same.

5 **Sec. 3.** RCW 86.09.490 and 1937 c 72 s 164 are each amended to read
6 as follows:

7 The assessment upon real property shall be a lien against the
8 property assessed, from and after the first day of January in the year
9 in which the assessment becomes due and payable, but as between grantor
10 and grantee such lien shall not attach until the (~~fifteenth day of~~
11 ~~February of such year, which~~) county treasurer has completed the
12 property tax roll for the current year's collection and provided the
13 notification required by RCW 84.56.020. The lien shall be paramount
14 and superior to any other lien theretofore or thereafter created,
15 whether by mortgage or otherwise, except a lien for undelinquent flood
16 control district assessments, diking or drainage, or diking or drainage
17 improvement, district assessments and for unpaid and outstanding
18 general ad valorem taxes, and such lien shall not be removed until the
19 assessments are paid or the property sold for the payment thereof as
20 provided by law.

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

23 (1) When real property is acquired by purchase or condemnation by
24 the state of Washington, any county or municipal corporation or is
25 placed under a recorded agreement for immediate possession and use or
26 an order of immediate possession and use pursuant to RCW 8.04.090, such
27 property shall continue to be subject to the tax lien for the years
28 prior to the year in which the property is so acquired or placed under
29 such agreement or order, of any tax levied by the state, county,
30 municipal corporation or other tax levying public body, except as is
31 otherwise provided in RCW 84.60.070.

32 (2) The lien for taxes applicable to the real property being
33 acquired or placed under immediate possession and use for the year in
34 which such real property is so acquired or placed under immediate
35 possession and use shall be for only the pro rata portion of taxes
36 allocable to that portion of the year prior to the date of execution of

1 the instrument vesting title, date of recording such agreement of
2 immediate possession and use, date of such order of immediate
3 possession and use, or date of judgment. No taxes levied or tax lien
4 on such property allocable to a period subsequent to the dates
5 identified in this subsection shall be valid and any such taxes levied
6 shall be canceled as provided in RCW 84.48.065. In the event the owner
7 has paid taxes allocable to that portion of the year subsequent to the
8 dates identified in this subsection he or she shall be entitled to a
9 pro rata refund of the amount paid on the property so acquired or
10 placed under a recorded agreement or an order of immediate possession
11 and use. If the dates identified in this subsection precede (~~February~~
12 ~~15th of~~) the completion of the property tax rolls for the current
13 year's collection in the year in which such taxes become payable, no
14 lien for such taxes shall be valid and any such taxes levied but not
15 payable shall be canceled as provided in RCW 84.48.065.

16 **Sec. 5.** RCW 87.03.265 and 1939 c 171 s 2 are each amended to read
17 as follows:

18 The assessment upon real property shall be a lien against the
19 property assessed, from and after the first day of January in the year
20 in which it is levied, but as between grantor and grantee such lien
21 shall not attach until the (~~fifteenth day of February of~~) county
22 treasurer has completed the property tax roll for the current year's
23 collection and provided the notification required by RCW 84.56.020 in
24 the year in which the assessment is payable, which lien shall be
25 paramount and superior to any other lien theretofore or thereafter
26 created, whether by mortgage or otherwise, except for a lien for prior
27 assessments, and such lien shall not be removed until the assessments
28 are paid or the property sold for the payment thereof as provided by
29 law. And the lien for the bonds of any issue shall be a preferred lien
30 to that of any subsequent issue. Also the lien for all payments due or
31 to become due under any contract with the United States, or the state
32 of Washington, accompanying which bonds of the district have not been
33 deposited with the United States or the state of Washington, as in RCW
34 87.03.140 provided, shall be a preferred lien to any issue of bonds
35 subsequent to the date of such contract.

1 **Sec. 6.** RCW 87.03.270 and 1988 c 134 s 13 are each amended to read
2 as follows:

3 The assessment roll, before its equalization and adoption, shall be
4 checked and compared as to descriptions and ownerships, with the county
5 treasurer's land rolls. On or before the fifteenth day of January in
6 each year the secretary must deliver the assessment roll or the
7 respective segregation thereof to the county treasurer of each
8 respective county in which the lands therein described are located, and
9 said assessments shall become due and payable (~~on the fifteenth day of~~
10 ~~February following~~) after the county treasurer has completed the
11 property tax roll for the current year's collection and provided the
12 notification required by RCW 84.56.020.

13 All assessments on said roll shall become delinquent on the first
14 day of May following the filing of the roll unless the assessments are
15 paid on or before the thirtieth day of April of said year: PROVIDED,
16 That if an assessment is ten dollars or more for said year and if one-
17 half of the assessment is paid on or before the thirtieth day of April,
18 the remainder shall be due and payable on or before the thirty-first
19 day of October following and shall be delinquent after that date. All
20 delinquent assessments shall bear interest at the rate of twelve
21 percent per annum, computed on a monthly basis and without compounding,
22 from the date of delinquency until paid.

23 Upon receiving the assessment roll the county treasurer shall
24 prepare therefrom an assessment book in which shall be written the
25 description of the land as it appears in the assessment roll, the name
26 of the owner or owners where known, and if assessed to the unknown
27 owners, then the word "unknown", and the total assessment levied
28 against each tract of land. Proper space shall be left in said book
29 for the entry therein of all subsequent proceedings relating to the
30 payment and collection of said assessments.

31 On or before April 1st of each year, the treasurer of the district
32 shall send a statement of assessments due. County treasurers who
33 collect irrigation district assessments may send the statement of
34 irrigation district assessments together with the statement of general
35 taxes.

36 Upon payment of any assessment the county treasurer must enter the
37 date of said payment in said assessment book opposite the description

1 of the land and the name of the person paying and give a receipt to
2 such person specifying the amount of the assessment and the amount paid
3 with the description of the property assessed.

4 It shall be the duty of the treasurer of the district to furnish
5 upon request of the owner, or any person interested, a statement
6 showing any and all assessments levied as shown by the assessment roll
7 in his office upon land described in such request. All statements of
8 irrigation district assessments covering any land in the district shall
9 show the amount of the irrigation district assessment, the dates on
10 which the assessment is due, the place of payment, and, if the property
11 was sold for delinquent assessments in a prior year, the amount of the
12 delinquent assessment and the notation "certificate issued": PROVIDED,
13 That the failure of the treasurer to render any statement herein
14 required of him shall not render invalid any assessments made by any
15 irrigation district.

16 It shall be the duty of the county treasurer of any county, other
17 than the county in which the office of the board of directors is
18 located, to make monthly remittances to the county treasurer of the
19 county in which the office of the board of directors is located
20 covering all amounts collected by him for the irrigation district
21 during the preceding month.

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

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

28 The respective installments of assessments for construction or
29 maintenance of improvements made under the provisions of this chapter,
30 shall be collected in the same manner and shall become delinquent at
31 the same time as general taxes, certificates of delinquency shall be
32 issued, and the lien of the assessment shall be enforced by foreclosure
33 and sale of the property assessed, as in the case of general taxes, all
34 according to the laws in force on January 1, 1923, except as
35 hereinafter specifically provided.

36 The annual assessments or installments of assessments, both for
37 construction and for maintenance and repairs of the diking and/or

1 drainage system shall become due in two equal installments, one-half
2 being payable on or before (~~May~~) April 30th, and the other half on or
3 before (~~November 30th~~) October 31st; and delinquency interest thereon
4 shall run from said dates on said respective halves of said
5 assessments.

6 The rate of interest thereon after delinquency, also the rate of
7 interest borne by certificates of delinquency, shall be ten percent per
8 annum. Certificates of delinquency for any assessment or installment
9 thereof shall be issued upon demand and payment of such delinquent
10 assessment and the fee for the same at any time after the expiration of
11 twelve months after the date of delinquency thereof. In case no
12 certificate of delinquency be issued after the expiration of four years
13 from date of delinquency of assessments for construction costs, or
14 after the expiration of two years from date of delinquency of
15 assessments for maintenance or repairs, certificates of delinquency
16 shall be issued to the county, and foreclosure thereof shall forthwith
17 be effected in the manner provided in (~~sections 11292 to 11317~~
18 ~~inclusive~~) chapter 84.64 RCW.

19 The holder of a certificate of delinquency for any drainage, diking
20 or sewerage improvement district or consolidated district assessment or
21 installment thereof may pay any delinquent general taxes upon the
22 property described therein, and may redeem any certificate of
23 delinquency for general taxes against said property and the amount so
24 paid together with interest thereon at the rate provided by law shall
25 be included in the lien of said certificate of delinquency.

26 The expense of foreclosure proceedings by the county shall be paid
27 by the districts whose liens are foreclosed: Costs of foreclosure by
28 the county or private persons as provided by law, shall be included in
29 the judgment of foreclosure.

30 **Sec. 8.** RCW 82.45.090 and 2003 c 53 s 404 are each amended to read
31 as follows:

32 (1) Except for a sale of a beneficial interest in real property
33 where no instrument evidencing the sale is recorded in the official
34 real property records of the county in which the property is located,
35 the tax imposed by this chapter shall be paid to and collected by the
36 treasurer of the county within which is located the real property which
37 was sold. In collecting the tax the treasurer shall act as agent for

1 the state. The county treasurer shall cause a (~~stamp~~) verification
2 of payment evidencing satisfaction of the lien to be affixed to the
3 instrument of sale or conveyance prior to its recording or to the real
4 estate excise tax affidavit in the case of used mobile home sales and
5 used floating home sales. A receipt issued by the county treasurer for
6 the payment of the tax imposed under this chapter shall be evidence of
7 the satisfaction of the lien imposed hereunder and may be recorded in
8 the manner prescribed for recording satisfactions of mortgages. No
9 instrument of sale or conveyance evidencing a sale subject to the tax
10 shall be accepted by the county auditor for filing or recording until
11 the tax shall have been paid and the (~~stamp~~) verification of payment
12 affixed thereto; in case the tax is not due on the transfer, the
13 instrument shall not be so accepted until suitable notation of such
14 fact has been made on the instrument by the treasurer. The county
15 treasurer shall require a verification of payment that evidences
16 satisfaction of all personal property tax upon a used mobile home, used
17 manufactured home, used park model mobile home, or used floating home,
18 to be affixed to any instrument of sale or conveyance thereof, or upon
19 the real estate excise tax affidavit. No real estate excise tax
20 affidavit, instrument of sale, or conveyance for a used mobile home,
21 used manufactured home, used park model mobile home, or used floating
22 home will be accepted by the county auditor for filing or recording
23 until the personal property tax has been paid and the verification of
24 payment affixed thereto.

25 (2) For a sale of a beneficial interest in real property where a
26 tax is due under this chapter and where no instrument is recorded in
27 the official real property records of the county in which the property
28 is located, the sale shall be reported to the department of revenue
29 within five days from the date of the sale on such returns or forms and
30 according to such procedures as the department may prescribe. Such
31 forms or returns shall be signed by both the transferor and the
32 transferee and shall be accompanied by payment of the tax due.

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

36 **Sec. 9.** RCW 84.69.030 and 1991 c 245 s 32 are each amended to read
37 as follows:

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

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

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

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

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