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**SUBSTITUTE HOUSE BILL 2149**

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**State of Washington**

**62nd Legislature**

**2012 Regular Session**

**By** House Ways & Means (originally sponsored by Representatives Eddy and Kenney)

READ FIRST TIME 01/26/12.

1       AN ACT Relating to personal property tax assessment administration,  
2 authorizing waiver of penalties and interest under specified  
3 circumstances; amending RCW 84.40.130; and declaring an emergency.

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

5       **Sec. 1.** RCW 84.40.130 and 2004 c 79 s 5 are each amended to read  
6 as follows:

7       (1) If any person or corporation (~~shall~~) fails or refuses to  
8 deliver to the assessor, on or before the date specified in RCW  
9 84.40.040, a list of the taxable personal property which is required to  
10 be listed under this chapter, unless it is shown that such failure is  
11 due to reasonable cause and not due to (~~wilful~~) willful neglect,  
12 there (~~shall~~) must be added to the amount of tax assessed against the  
13 taxpayer on account of such personal property five percent of the  
14 amount of such tax, not to exceed fifty dollars per calendar day, if  
15 the failure is for not more than one month, with an additional five  
16 percent for each additional month or fraction thereof during which such  
17 failure continues not exceeding twenty-five percent in the aggregate.  
18 Such penalty (~~shall~~) must be collected in the same manner as the tax

1 to which it is added and distributed in the same manner as other  
2 property tax interest and penalties.

3 (2) If any person or corporation (~~((shall-wilfully))~~) willfully gives  
4 a false or fraudulent list, schedule or statement required by this  
5 chapter, or (~~((shall))~~), with intent to defraud, fails or refuses to  
6 deliver any list, schedule or statement required by this chapter, such  
7 person or corporation (~~((shall-be))~~) is liable for the additional tax  
8 properly due or, in the case of (~~((wilful))~~) willful failure or refusal  
9 to deliver such list, schedule or statement, the total tax properly  
10 due; and in addition such person or corporation (~~((shall-be))~~) is liable  
11 for a penalty of one hundred percent of such additional tax or total  
12 tax as the case may be. Such penalty (~~((shall-be))~~) is in lieu of the  
13 penalty provided for in subsection (1) of this section. A person or  
14 corporation giving a false list, schedule or statement (~~((shall))~~) is not  
15 (~~((be))~~) subject to this penalty if it is shown that the  
16 misrepresentations contained therein are entirely attributable to  
17 reasonable cause. The taxes and penalties provided for in this  
18 subsection (~~((shall))~~) must be recovered in an action in the name of the  
19 state of Washington on the complaint of the county assessor or the  
20 county legislative authority and (~~((shall))~~) must, when collected, be  
21 paid into the county treasury to the credit of the current expense  
22 fund. The provisions of this subsection (~~((shall-be))~~) are additional  
23 and supplementary to any other provisions of law relating to recovery  
24 of property taxes.

25 (3)(a) The county legislative authority may authorize the assessor  
26 to waive penalties otherwise due under this section for assessment  
27 years 2011 and prior for a person or corporation failing or refusing to  
28 deliver to the assessor a list of taxable personal property, if all of  
29 the following circumstances are met:

30 (i) On or before July 1, 2012, the taxpayer files with the  
31 assessor:

32 (A) A correct list and statement of the taxable personal property  
33 required to be listed under this chapter; and

34 (B) A completed application for penalty waiver in the form and  
35 manner prescribed by the assessor; and

36 (ii) On or before September 1, 2012, the taxpayer remits full  
37 payment to the county of the entire balance due on all tax liabilities

1 for which a penalty waiver under this section is requested, other than  
2 the penalty amount eligible for waiver under this section.

3 (b) A taxpayer receiving penalty relief under this subsection (3)  
4 may not seek a refund or otherwise challenge the amount of any tax  
5 liability paid under (a)(ii) of this subsection (3). Personal property  
6 listed under (a)(i) of this subsection (3) is subject to verification  
7 by the assessor, and any unreported or misreported property discovered  
8 by the assessor remains subject to taxes, penalties, and interest.

9 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
10 preservation of the public peace, health, or safety, or support of the  
11 state government and its existing public institutions, and takes effect  
12 immediately.

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