
HOUSE BILL 2708

State of Washington 62nd Legislature 2012 Regular Session

By Representatives Hinkle, Wilcox, Johnson, and Angel

Read first time 01/26/12. Referred to Committee on Ways & Means.

1 AN ACT Relating to including the value of solar, biomass, and
2 geothermal facilities in the property tax levy limit calculation;
3 amending RCW 84.55.010, 84.55.015, 84.55.020, 84.55.030, and 84.55.120;
4 and creating a new section.

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

6 **Sec. 1.** RCW 84.55.010 and 2006 c 184 s 1 are each amended to read
7 as follows:

8 Except as provided in this chapter, the levy for a taxing district
9 in any year (~~shall~~) must be set so that the regular property taxes
10 payable in the following year (~~shall~~) does not exceed the limit
11 factor multiplied by the amount of regular property taxes lawfully
12 levied for such district in the highest of the three most recent years
13 in which such taxes were levied for such district plus an additional
14 dollar amount calculated by multiplying the increase in assessed value
15 in that district resulting from new construction, increases in assessed
16 value due to construction of electric generation wind turbine, solar,
17 biomass, and geothermal facilities classified as personal property,
18 improvements to property, and any increase in the assessed value of

1 state-assessed property by the regular property tax levy rate of that
2 district for the preceding year.

3 **Sec. 2.** RCW 84.55.015 and 2006 c 184 s 2 are each amended to read
4 as follows:

5 If a taxing district has not levied since 1985 and elects to
6 restore a regular property tax levy subject to applicable statutory
7 limitations then such first restored levy (~~shall~~) must be set so that
8 the regular property tax payable (~~shall~~) does not exceed the amount
9 which was last levied, plus an additional dollar amount calculated by
10 multiplying the increase in assessed value in the district since the
11 last levy resulting from new construction, increases in assessed value
12 due to construction of electric generation wind turbine, solar,
13 biomass, and geothermal facilities classified as personal property,
14 improvements to property, and any increase in the assessed value of
15 state-assessed property by the property tax rate which is proposed to
16 be restored, or the maximum amount which could be lawfully levied in
17 the year such a restored levy is proposed.

18 **Sec. 3.** RCW 84.55.020 and 2006 c 184 s 3 are each amended to read
19 as follows:

20 Notwithstanding the limitation set forth in RCW 84.55.010, the
21 first levy for a taxing district created from consolidation of similar
22 taxing districts (~~shall~~) must be set so that the regular property
23 taxes payable in the following year (~~shall~~) do not exceed the limit
24 factor multiplied by the sum of the amount of regular property taxes
25 lawfully levied for each component taxing district in the highest of
26 the three most recent years in which such taxes were levied for such
27 district plus the additional dollar amount calculated by multiplying
28 the increase in assessed value in each component district resulting
29 from new construction, increases in assessed value due to construction
30 of electric generation wind turbine, solar, biomass, and geothermal
31 facilities classified as personal property, improvements to property,
32 and any increase in the assessed value of state-assessed property by
33 the regular property tax rate of each component district for the
34 preceding year.

1 **Sec. 4.** RCW 84.55.030 and 2006 c 184 s 4 are each amended to read
2 as follows:

3 For the first levy for a taxing district following annexation of
4 additional property, the limitation set forth in RCW 84.55.010
5 (~~shall~~) must be increased by an amount equal to (1) the aggregate
6 assessed valuation of the newly annexed property as shown by the
7 current completed and balanced tax rolls of the county or counties
8 within which such property lies, multiplied by (2) the dollar rate that
9 would have been used by the annexing unit in the absence of such
10 annexation, plus (3) the additional dollar amount calculated by
11 multiplying the increase in assessed value in the annexing district
12 resulting from new construction, increases in assessed value due to
13 construction of electric generation wind turbine, solar, biomass, and
14 geothermal facilities classified as personal property, improvements to
15 property, and any increase in the assessed value of state-assessed
16 property by the regular property tax levy rate of that annexing taxing
17 district for the preceding year.

18 **Sec. 5.** RCW 84.55.120 and 2006 c 184 s 6 are each amended to read
19 as follows:

20 (1) A taxing district, other than the state, that collects regular
21 levies (~~shall~~) must hold a public hearing on revenue sources for the
22 district's following year's current expense budget. The hearing must
23 include consideration of possible increases in property tax revenues
24 and (~~shall~~) must be held prior to the time the taxing district levies
25 the taxes or makes the request to have the taxes levied. The county
26 legislative authority, or the taxing district's governing body if the
27 district is a city, town, or other type of district, (~~shall~~) must
28 hold the hearing. For purposes of this section, "current expense
29 budget" means that budget which is primarily funded by taxes and
30 charges and reflects the provision of ongoing services. It does not
31 mean the capital, enterprise, or special assessment budgets of cities,
32 towns, counties, or special purpose districts.

33 (2) If the taxing district is otherwise required to hold a public
34 hearing on its proposed regular tax levy, a single public hearing may
35 be held on this matter.

36 (3) No increase in property tax revenue, other than that resulting
37 from the addition of new construction, increases in assessed value due

1 to construction of electric generation wind turbine, solar, biomass,
2 and geothermal facilities classified as personal property, and
3 improvements to property and any increase in the value of state-
4 assessed property, may be authorized by a taxing district, other than
5 the state, except by adoption of a separate ordinance or resolution,
6 pursuant to notice, specifically authorizing the increase in terms of
7 both dollars and percentage. The ordinance or resolution may cover a
8 period of up to two years, but the ordinance (~~shall~~) must
9 specifically state for each year the dollar increase and percentage
10 change in the levy from the previous year.

11 NEW SECTION. **Sec. 6.** This act applies to taxes levied for
12 collection in 2013 and thereafter.

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