

ESHB 1004 - S COMM AMD

By Committee on Governmental Operations

NOT CONSIDERED

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that many taxpayers
4 face difficulties paying property taxes on due dates, particularly
5 during economic downturns. The legislature intends to authorize
6 counties to establish programs enabling taxpayers to make partial
7 payments of delinquent property taxes on a monthly or quarterly basis.
8 These programs can provide relief for struggling taxpayers and afford
9 local governments a more stable source of revenue.

10 **Sec. 2.** RCW 84.56.020 and 2010 c 200 s 1 are each amended to read
11 as follows:

12 (1) The county treasurer must be the receiver and collector of all
13 taxes extended upon the tax rolls of the county, whether levied for
14 state, county, school, bridge, road, municipal or other purposes, and
15 also of all fines, forfeitures or penalties received by any person or
16 officer for the use of his or her county. No treasurer may accept tax
17 payments or issue receipts for the same until the treasurer has
18 completed the tax roll for the current year's collection and provided
19 notification of the completion of the roll. Notification may be
20 accomplished electronically, by posting a notice in the office, or
21 through other written communication as determined by the treasurer.
22 All taxes upon real and personal property made payable by the
23 provisions of this title are due and payable to the treasurer on or
24 before the thirtieth day of April and, except as provided in this
25 section, (~~shall be~~) is delinquent after that date.

26 (2) Each tax statement must include a notice that checks for
27 payment of taxes may be made payable to "Treasurer of
28 County" or other appropriate office, but tax statements may not include

1 any suggestion that checks may be made payable to the name of the
2 individual holding the office of treasurer nor any other individual.

3 (3) When the total amount of tax or special assessments on personal
4 property or on any lot, block or tract of real property payable by one
5 person is fifty dollars or more, and if one-half of such tax be paid on
6 or before the thirtieth day of April, the remainder of such tax is due
7 and payable on or before the thirty-first day of October following and
8 (~~shall be~~) is delinquent after that date.

9 (4) When the total amount of tax or special assessments on any lot,
10 block or tract of real property or on any mobile home payable by one
11 person is fifty dollars or more, and if one-half of such tax be paid
12 after the thirtieth day of April but before the thirty-first day of
13 October, together with the applicable interest and penalty on the full
14 amount of tax payable for that year, the remainder of such tax is due
15 and payable on or before the thirty-first day of October following and
16 is delinquent after that date.

17 (5) Delinquent taxes under this section are subject to interest at
18 the rate of twelve percent per annum computed on a monthly basis on the
19 full year amount of tax unpaid from the date of delinquency until paid.
20 Interest must be calculated at the rate in effect at the time of
21 payment of the tax, regardless of when the taxes were first delinquent.
22 In addition, delinquent taxes under this section are subject to
23 penalties as follows:

24 (a) A penalty of three percent of the full year amount of tax
25 unpaid is assessed on the tax delinquent on June 1st of the year in
26 which the tax is due.

27 (b) An additional penalty of eight percent is assessed on the
28 amount of tax delinquent on December 1st of the year in which the tax
29 is due.

30 (6)(a) A county treasurer may establish a program enabling
31 taxpayers to make partial payments of delinquent property taxes on a
32 monthly or quarterly basis, consistent with this subsection (6).

33 (b) Partial payments of delinquent property taxes:

34 (i) Must, within a twelve-month period, equal or exceed one year's
35 delinquent taxes, interest, and penalties;

36 (ii) May be collected by electronic bill presentment and payment,
37 pursuant to subsection (5) of this section; and

1 (iii) May not be made after proceedings have been initiated for
2 collection of delinquent taxes through foreclosure and sale of real
3 property or distraint and sale of personal property.

4 (7) Subsection (5) of this section notwithstanding, no interest or
5 penalties may be assessed during any period of armed conflict on
6 delinquent taxes imposed on the personal residences owned by active
7 duty military personnel who are participating as part of one of the
8 branches of the military involved in the conflict and assigned to a
9 duty station outside the territorial boundaries of the United States.

10 ~~((+7))~~ (8) During a state of emergency declared under RCW
11 43.06.010(12), the county treasurer, on his or her own motion or at the
12 request of any taxpayer affected by the emergency, may grant extensions
13 of the due date of any taxes payable under this section as the
14 treasurer deems proper.

15 ~~((+8))~~ (9) For purposes of this chapter, "interest" means both
16 interest and penalties.

17 ~~((+9))~~ (10) All collections of interest on delinquent taxes must
18 be credited to the county current expense fund; but the cost of
19 foreclosure and sale of real property, and the fees and costs of
20 distraint and sale of personal property, for delinquent taxes, must,
21 when collected, be credited to the operation and maintenance fund of
22 the county treasurer prosecuting the foreclosure or distraint or sale;
23 and must be used by the county treasurer as a revolving fund to defray
24 the cost of further foreclosure, distraint and sale for delinquent
25 taxes without regard to budget limitations.

26 ~~((+10))~~ (11)(a) For purposes of this chapter, and in accordance
27 with this section and RCW 36.29.190, the treasurer may collect taxes,
28 assessments, fees, rates, and charges by electronic bill presentment
29 and payment. Electronic bill presentment and payment may be utilized
30 as an option by the taxpayer, but the treasurer may not require the use
31 of electronic bill presentment and payment. Electronic bill
32 presentment and payment may be on a monthly or other periodic basis as
33 the treasurer deems proper for prepayments. All prepayments must be
34 paid in full by the due date specified in (c) of this subsection.

35 (b) The treasurer must provide, by electronic means, a payment
36 agreement that may include prepayment collection charges. The payment
37 agreement must be signed by the taxpayer and treasurer prior to the
38 sending of an electronic bill.

1 (c) All taxes upon real and personal property made payable by the
2 provisions of this title are due and payable to the treasurer on or
3 before the thirtieth day of April and are delinquent after that date.
4 The remainder of the tax is due and payable on or before the thirty-
5 first day of October following and is delinquent after that date. All
6 other assessments, fees, rates, and charges are delinquent after the
7 due date.

8 (d) The treasurer must pay any collection costs, investment
9 earnings, or both on prepayments to the credit of a county treasurer
10 service fund account to be created and used only for the payment of
11 expenses incurred by the treasurer, without limitation, in
12 administering the system for collecting prepayments.

13 ~~((11) For purposes of this section,))~~ (e) The treasurer may
14 provide for electronic payment of delinquent property taxes, interest,
15 and penalties, pursuant to subsection (5) of this section.

16 (12) The ~~((following))~~ definitions ~~((apply))~~ in this subsection
17 apply throughout this section unless the context clearly requires
18 otherwise.

19 (a) "Electronic bill presentment and payment" means statements,
20 invoices, or bills that are created, delivered, and paid using the
21 internet. The term includes an automatic electronic payment from a
22 person's checking account, debit account, or credit card.

23 (b) "Internet" has the same meaning as provided in RCW 19.270.010."

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24 On page 1, line 1 of the title, after "taxes;" strike the remainder
25 of the title and insert "amending RCW 84.56.020; and creating a new
26 section."

EFFECT: Provides that partial payment of delinquent property

taxes: May be made quarterly, in addition to monthly; must, within a 12-month period, equal or exceed one year's delinquent taxes, interest, and penalties; may (not must) be collected by electronic payment; and may not be made after foreclosure proceedings have been initiated to collect delinquent taxes. Deletes language regarding payment agreements and provisions authorizing county treasurers to collect a delinquent collection charge and tax foreclosure avoidance costs.

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