

HOUSE BILL REPORT

HB 2446

As Passed Legislature

Title: An act relating to property tax assessment administration, simplifying procedures for obtaining an order for refund.

Brief Description: Simplifying procedures for obtaining an order for refund of property taxes.

Sponsors: Representatives Gregerson, Rodne, Carlyle, Dahlquist, Farrell, Springer, Freeman, Senn, Sullivan, Moscoso, Pettigrew, Magendanz, Pollet, Tarleton, Ryu, Stanford, Bergquist, Morrell and Tharinger.

Brief History:

Committee Activity:

Finance: 1/28/14, 2/11/14 [DP].

Floor Activity:

Passed House: 2/17/14, 96-0.

Passed Senate: 2/26/14, 49-0.

Passed Legislature.

<h4>Brief Summary of Bill</h4>

- Simplifies the procedure to obtain a property tax refund.

HOUSE COMMITTEE ON FINANCE

Majority Report: Do pass. Signed by 13 members: Representatives Carlyle, Chair; Tharinger, Vice Chair; Nealey, Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Condotta, Fitzgibbon, Hansen, Lytton, Pollet, Reykdal, Springer, Vick and Wilcox.

Staff: Richelle Geiger (786-7175).

Background:

A taxpayer who pays property tax in excess of the amount due is entitled to a refund of the overpayment and interest on the amount of the overpayment. The interest rate is set by the Department of Revenue (DOR) during the year of the payment to be refunded. To apply for

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a refund, the taxpayer must file a petition for a property tax refund with the county treasurer within three years of the due date of the payment. The petition must be verified by the taxpayer, the taxpayer's guardian, executor or administrator and include the statutory ground justifying the refund.

Summary of Bill:

A taxpayer is not required to file a petition for a property tax refund under the following circumstances: (1) by order of a board of equalization, State Board of Tax Appeals, or court of competent jurisdiction; (2) a decision is issued by a county treasurer or assessor justifying the refund upon statutory ground; or (3) a county assessor or the DOR approved a property tax exemption application.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill was introduced to eliminate a bureaucratic process that delays property tax refunds. It is an administrative clean up that will not impact state finances and will provide efficiencies to counties.

This bill increases efficiency because: (1) taxpayers are not required to mail in a form requesting a refund if a governing body has ruled they are entitled to a refund; (2) there is no risk that a taxpayer will lose their refund slip; and (3) it will eliminate the mailing costs associated with these refunds for counties.

If there is a court order for a refund, the decision may be issued more than three years after the due date of the payment.

(Opposed) None.

Persons Testifying: Representative Gregerson, prime sponsor; Lloyd Hara; and Monty Cobb, Washington Association of County Officials.

Persons Signed In To Testify But Not Testifying: None.