
SUBSTITUTE SENATE BILL 5444

State of Washington

63rd Legislature

2013 Regular Session

By Senate Governmental Operations (originally sponsored by Senators Hasegawa, Nelson, Kohl-Welles, Hobbs, Chase, Keiser, and Kline)

READ FIRST TIME 02/20/13.

1 AN ACT Relating to administration of taxes regarding publicly owned
2 property; and amending RCW 84.40.045, 84.40.175, and 82.29A.120.

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

4 **Sec. 1.** RCW 84.40.045 and 2001 c 187 s 19 are each amended to read
5 as follows:

6 (1) The assessor (~~shall~~) must give notice of any change in the
7 true and fair value of real property for the tract or lot of land and
8 any improvements thereon no later than thirty days after appraisal(~~+~~
9 ~~PROVIDED, That~~). However, no such notice (~~shall~~) may be mailed
10 during the period from January 15th to February 15th of each year(~~+~~
11 ~~PROVIDED FURTHER, That~~). Furthermore, no notice need be sent with
12 respect to changes in valuation of publicly owned property exempt from
13 taxation under provisions of RCW 84.36.010 or of forest land made
14 pursuant to chapter 84.33 RCW.

15 (2) The notice (~~shall~~) must contain a statement of both the prior
16 and the new true and fair value, stating separately land and
17 improvement values, and a brief statement of the procedure for appeal
18 to the board of equalization and the time, date, and place of the
19 meetings of the board.

1 (3) The notice (~~shall~~) must be mailed by the assessor to the
2 taxpayer.

3 (4) If any taxpayer, as shown by the tax rolls, holds solely a
4 security interest in the real property which is the subject of the
5 notice, pursuant to a mortgage, contract of sale, or deed of trust,
6 such taxpayer (~~shall~~) must, upon written request of the assessor,
7 supply, within thirty days of receipt of such request, to the assessor
8 the name and address of the person making payments pursuant to the
9 mortgage, contract of sale, or deed of trust, and thereafter such
10 person (~~shall~~) must also receive a copy of the notice provided for in
11 this section. Willful failure to comply with such request within the
12 time limitation provided for (~~herein shall make~~) in this section
13 makes such taxpayer subject to a maximum civil penalty of five thousand
14 dollars. The penalties provided for (~~herein shall be~~) in this
15 section are recoverable in an action by the county prosecutor, and when
16 recovered (~~shall~~) must be deposited in the county current expense
17 fund. The assessor (~~shall~~) must make the request provided for by
18 this section during the month of January.

19 **Sec. 2.** RCW 84.40.175 and 1994 c 124 s 24 are each amended to read
20 as follows:

21 At the time of making the assessment of real property, the assessor
22 (~~shall~~) must enter each description of property exempt under the
23 provisions of chapter 84.36 RCW, and value and list the same in the
24 manner and subject to the same rule as the assessor is required to
25 assess all other property, designating in each case to whom such
26 property belongs. (~~However, with respect to publicly owned~~) The
27 valuation requirements of this section do not apply to property exempt
28 from taxation under provisions of RCW 84.36.010(~~(, the assessor shall~~
29 ~~value only such property as is leased to or occupied by a private~~
30 ~~person under an agreement allowing such person to occupy or use such~~
31 ~~property for a private purpose when a request for such valuation is~~
32 ~~received from the department of revenue or the lessee of such property~~
33 ~~for use in determining the taxable rent as provided for in chapter~~
34 ~~82.29A RCW: PROVIDED FURTHER, That this section shall not prohibit any~~
35 ~~assessor from valuing any public property leased to or occupied by a~~
36 ~~private person for private purposes)~~ However, when the exempt status
37 of such property no longer applies as a result of a sale or change in

1 use, the assessor must value and list such property as of the January
2 1st assessment date for the year of the status change. The owner or
3 person responsible for payment of taxes may thereafter petition the
4 county board of equalization for a change in the assessed value in
5 accordance with the timing and procedures set forth in RCW 84.40.038.

6 **Sec. 3.** RCW 82.29A.120 and 1994 c 95 s 2 are each amended to read
7 as follows:

8 After computation of the taxes imposed pursuant to RCW 82.29A.030
9 and 82.29A.040 ~~((there shall be allowed the following credits in~~
10 ~~determining the tax payable:~~

11 ~~(1) With respect to a leasehold interest other than a product~~
12 ~~lease, executed with an effective date of April 1, 1986, or thereafter,~~
13 ~~or a leasehold interest in respect to which the department of revenue~~
14 ~~under the authority of RCW 82.29A.020 does adjust the contract rent~~
15 ~~base used for computing the tax provided for in RCW 82.29A.030, there~~
16 ~~shall be allowed a credit against the tax as otherwise computed equal~~
17 ~~to the amount, if any, that such tax exceeds the property tax that~~
18 ~~would apply to such leased property without regard to any property tax~~
19 ~~exemption under RCW 84.36.381, if it were privately owned by the lessee~~
20 ~~or if it were privately owned by any sublessee if the value of the~~
21 ~~credit inures to the sublessee.)), the following credits are allowed in~~
22 determining the tax payable:

23 (1) For lessees and sublessees who would qualify for a property tax
24 exemption under RCW 84.36.381 if the property were privately owned, the
25 tax otherwise due after this credit shall be reduced by a percentage
26 equal to the percentage reduction in property tax that would result
27 from the property tax exemption under RCW 84.36.381((-)); and

28 (2) ((With respect to a product lease,)) A credit of thirty-three
29 percent of the tax otherwise due is allowed with respect to a product
30 lease.

--- END ---