
SENATE BILL 5704

State of Washington 63rd Legislature 2013 Regular Session

By Senators Hatfield, King, and Brown

Read first time 02/11/13. Referred to Committee on Governmental Operations.

1 AN ACT Relating to tax collection by the county treasurer; and
2 amending RCW 84.56.020 and 84.56.070.

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

4 **Sec. 1.** RCW 84.56.020 and 2010 c 200 s 1 are each amended to read
5 as follows:

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

1 (2) Each tax statement must include a notice that checks for
2 payment of taxes may be made payable to "Treasurer of
3 County" or other appropriate office, but tax statements may not include
4 any suggestion that checks may be made payable to the name of the
5 individual holding the office of treasurer nor any other individual.

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

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

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

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

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

33 (6)(a) In the year that real property taxes become three years
34 delinquent and prior to the filing of the certificate of delinquency,
35 the treasurer is authorized to assess and collect tax foreclosure
36 avoidance costs against the real property. Collected tax foreclosure
37 avoidance costs must be credited to the operation and maintenance fund

1 of the county treasurer conducting the foreclosure as provided in
2 subsection (9) of this section.

3 (b) Tax foreclosure avoidance costs include:

4 (i) Employee compensation for the time devoted to and identified
5 specifically to administering the avoidance of property foreclosure;
6 and

7 (ii) The cost of materials, services, or equipment acquired,
8 consumed, or expended specifically for the purpose of administering tax
9 foreclosure avoidance prior to the filing of the certificate of
10 delinquency.

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

17 ~~((+7))~~ (8) During a state of emergency declared under RCW
18 43.06.010(12), the county treasurer, on his or her own motion or at the
19 request of any taxpayer affected by the emergency, may grant extensions
20 of the due date of any taxes payable under this section as the
21 treasurer deems proper.

22 ~~((+8) For purposes of this chapter, "interest" means both interest~~
23 ~~and penalties.))~~

24 (9) All collections of interest on delinquent taxes must be
25 credited to the county current expense fund; but the cost of
26 foreclosure and sale of real property, and the fees and costs of
27 distraint and sale of personal property, for delinquent taxes, must,
28 when collected, be credited to the operation and maintenance fund of
29 the county treasurer prosecuting the foreclosure or distraint or sale;
30 and must be used by the county treasurer as a revolving fund to defray
31 the cost of further foreclosure, distraint and sale for delinquent
32 taxes without regard to budget limitations.

33 (10)(a) For purposes of this chapter, and in accordance with this
34 section and RCW 36.29.190, the treasurer may collect taxes,
35 assessments, fees, rates, and charges by electronic bill presentment
36 and payment. Electronic bill presentment and payment may be utilized
37 as an option by the taxpayer, but the treasurer may not require the use
38 of electronic bill presentment and payment. Electronic bill

1 presentment and payment may be on a monthly or other periodic basis as
2 the treasurer deems proper for prepayments. All prepayments must be
3 paid in full by the due date specified in (c) of this subsection.

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

8 (c) All taxes upon real and personal property made payable by the
9 provisions of this title are due and payable to the treasurer on or
10 before the thirtieth day of April and are delinquent after that date.
11 The remainder of the tax is due and payable on or before the thirty-
12 first day of October following and is delinquent after that date. All
13 other assessments, fees, rates, and charges are delinquent after the
14 due date.

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

20 (11) (~~For purposes of this section, the following definitions~~
21 ~~apply:~~

22 ~~(a))~~ The definitions in this subsection apply throughout this
23 chapter unless the context clearly requires otherwise.

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

28 (b) "Interest" means both interest and penalties.

29 (12) The definitions in this subsection apply throughout this
30 section unless the context clearly requires otherwise.

31 (a) "Internet" has the same meaning as provided in RCW 19.270.010.

32 (b) "Tax foreclosure avoidance costs" means the costs that can be
33 identified specifically with the administration of properties subject
34 to, and prior to, foreclosure.

35 **Sec. 2.** RCW 84.56.070 and 2009 c 350 s 2 are each amended to read
36 as follows:

37 (1) The county treasurer (~~shall~~) must proceed to collect all

1 personal property taxes after first completing the tax roll for the
2 current year's collection. The treasurer (~~shall~~) must give notice by
3 mail or by electronic bill presentment as provided in RCW 84.56.020 to
4 all persons charged with personal property taxes, and if such taxes are
5 not paid before they become delinquent, the treasurer (~~shall forthwith~~
6 ~~proceed to collect the same~~) must commence delinquent collection
7 efforts. A delinquent collection charge for costs incurred by the
8 treasurer must be added to the account.

9 (2)(a) In the event that (~~he or she~~) the treasurer is unable to
10 collect the same when due, the treasurer (~~shall~~) must prepare papers
11 in distraint, which (~~shall~~) must contain a description of the
12 personal property, the amount of taxes, the amount of the accrued
13 interest at the rate provided by law from the date of delinquency, and
14 the name of the owner or reputed owner.

15 (b) The treasurer (~~shall~~) must without demand or notice distraint
16 sufficient goods and chattels belonging to the person charged with such
17 taxes to pay the same, with interest at the rate provided by law from
18 the date of delinquency, together with all accruing costs, and
19 (~~shall~~) must proceed to advertise the same by posting written notices
20 in three public places in the county in which such property has been
21 distrained, one of which places (~~shall~~) must be at the county court
22 house, such notice to state the time when and place where such property
23 will be sold.

24 (c)(i) The county treasurer, or the treasurer's deputy, (~~shall~~)
25 must tax the same fees for making the distraint and sale of goods and
26 chattels for the payment of taxes as are allowed by law to sheriffs for
27 making levy and sale of property on execution; traveling fees to be
28 computed from the county seat of the county to the place of making
29 distraint. If the taxes for which such property is distrained, and the
30 interest and costs accruing thereon, are not paid before the date
31 appointed for such sale, which (~~shall be~~) may not be less than ten
32 days after the taking of such property, such treasurer or treasurer's
33 designee (~~shall~~) must proceed to sell such property at public
34 auction, or so much thereof as (~~shall be~~) is sufficient to pay such
35 taxes, with interest and costs, and if there be any excess of money
36 arising from the sale of any personal property, the treasurer (~~shall~~)
37 must pay such excess less any cost of the auction to the owner of the

1 property so sold or to his or her legal representative(~~(:—PROVIDED,~~
2 ~~That whenever it shall become)~~).

3 (ii) If it is necessary to distraint any standing timber owned
4 separately from the ownership of the land upon which the same may
5 stand, or any fish trap, pound net, reef net, set net or drag seine
6 fishing location, or any other personal property as the treasurer
7 (~~shall~~) determines to be incapable or reasonably impracticable of
8 manual delivery, it (~~shall~~) will be deemed to have been distrainted
9 and taken into possession when the treasurer (~~shall have~~) has, at
10 least thirty days before the date fixed for the sale thereof, filed
11 with the auditor of the county wherein such property is located a
12 notice in writing reciting that the treasurer has distrainted such
13 property, describing it, giving the name of the owner or reputed owner,
14 the amount of the tax due, with interest, and the time and place of
15 sale(~~(+)~~). A copy of the notice (~~shall~~) must also be sent to the
16 owner or reputed owner at his or her last known address, by registered
17 letter at least thirty days prior to the date of sale(~~(:—AND PROVIDED~~
18 ~~FURTHER, That)~~). However, if the county treasurer has reasonable
19 grounds to believe that any personal property, including mobile homes,
20 manufactured homes, or park model trailers, upon which taxes have been
21 levied, but not paid, is about to be removed from the county where the
22 same has been assessed, or is about to be destroyed, sold, or disposed
23 of, the county treasurer may demand such taxes, without the notice
24 provided for in this section, and if necessary may forthwith distraint
25 sufficient goods and chattels to pay the same.

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