Finance Committee

SSB 5276

Brief Description: Concerning refunds of property taxes paid as a result of manifest errors in descriptions of property.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles, Roach and Keiser).

Brief Summary of Substitute Bill

- Permits a county legislative authority to issue a property tax refund more than three years after the due date of the payment for taxes paid as a result of manifest errors in the descriptions of property.

Hearing Date: 3/17/15

Staff: Richelle Geiger (786-7175).

Background:

Property tax refunds may be issued if there has been a mistake or error in the tax bill or if the property's value has been reduced due to an appeal. Generally, the claim for refund must be made within three years after the due date of the property tax. Refunds may be awarded due to a manifest error in a description of property that is taxed, such as an error in the square footage description of a building.

Prior to 2009, county legislative authorities were permitted to order property tax refunds for an unlimited period of time. Legislation passed in 2009 that eliminated the discretionary power of county legislative authorities to authorize refunds beyond the three year time limit.

Summary of Bill:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

A county legislative authority may authorize a property tax refund on a claim filed more than three years after the due date of the payment sought to be refunded if the claim arises from taxes paid as a result of manifest error in the description of property.

Appropriation: None.

Fiscal Note: Available.

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