
HOUSE BILL 1991

State of Washington

65th Legislature

2017 Regular Session

By Representatives Volz, Stonier, McCaslin, Taylor, Shea, Koster, and Holy

Read first time 02/06/17. Referred to Committee on Local Government.

1 AN ACT Relating to clarifying the county treasurer's
2 administration of payments and costs related to delinquent
3 properties; and amending RCW 84.56.020.

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

5 **Sec. 1.** RCW 84.56.020 and 2014 c 13 s 1 are each amended to read
6 as follows:

7 (1) The county treasurer must be the receiver and collector of
8 all taxes extended upon the tax rolls of the county, whether levied
9 for state, county, school, bridge, road, municipal or other purposes,
10 and also of all fines, forfeitures or penalties received by any
11 person or officer for the use of his or her county. No treasurer may
12 accept tax payments or issue receipts for the same until the
13 treasurer has completed the tax roll for the current year's
14 collection and provided notification of the completion of the roll.
15 Notification may be accomplished electronically, by posting a notice
16 in the office, or through other written communication as determined
17 by the treasurer. All taxes upon real and personal property made
18 payable by the provisions of this title are due and payable to the
19 treasurer on or before the thirtieth day of April and, except as
20 provided in this section, shall be 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
4 include any suggestion that checks may be made payable to the name of
5 the individual holding the office of treasurer nor any other
6 individual.

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

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

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

30 (a) A penalty of three percent of the amount of tax delinquent is
31 assessed on the tax delinquent on June 1st of the year in which the
32 tax is due.

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

36 (c) If a taxpayer is successfully participating in a payment
37 agreement under subsection (11)(b) of this section, the county
38 treasurer may not assess additional penalties on delinquent taxes
39 that are included within the payment agreement. Interest and

1 penalties that have been assessed prior to the payment agreement
2 remain due and payable as provided in the payment agreement.

3 (6)(a) When real property taxes become delinquent and prior to
4 the filing of the certificate of delinquency, the treasurer is
5 authorized to assess and collect tax foreclosure avoidance costs.

6 (b) For the purposes of this section, "tax foreclosure avoidance
7 costs" means those ~~((costs that can be identified specifically))~~
8 direct costs associated with the administration of properties subject
9 to and prior to foreclosure. Tax foreclosure avoidance costs include:

10 (i) Compensation of employees for the time devoted ~~((and~~
11 ~~identified specifically))~~ to administering the avoidance of property
12 foreclosure; and

13 (ii) The cost of materials, services, or equipment acquired,
14 consumed, or expended ~~((specifically for the purpose of))~~ in
15 administering tax foreclosure avoidance prior to the filing of a
16 certificate of delinquency.

17 (c) When tax foreclosure avoidance costs are collected, the tax
18 foreclosure avoidance costs must be credited to the county treasurer
19 service fund account, except as otherwise directed.

20 (d) For purposes of chapter 84.64 RCW, any taxes, interest, or
21 penalties deemed delinquent under this section remain delinquent
22 until such time as all taxes, interest, and penalties for the tax
23 year in which the taxes were first due and payable have been paid in
24 full.

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

31 (8) During a state of emergency declared under RCW 43.06.010(12),
32 the county treasurer, on his or her own motion or at the request of
33 any taxpayer affected by the emergency, may grant extensions of the
34 due date of any taxes payable under this section as the treasurer
35 deems proper.

36 (9) All collections of interest on delinquent taxes must be
37 credited to the county current expense fund. For purposes of this
38 chapter, "interest" means both interest and penalties.

39 ~~((All collections of interest on delinquent taxes must be~~
40 ~~credited to the county current expense fund; but))~~ The direct cost of

1 foreclosure and sale of real property, and the direct fees and costs
2 of distraint and sale of personal property, for delinquent taxes,
3 must, when collected, be credited to the operation and maintenance
4 fund of the county treasurer prosecuting the foreclosure or distraint
5 or sale; and must be used by the county treasurer as a revolving fund
6 to defray the cost of further foreclosure, distraint and sale for
7 delinquent taxes without regard to budget limitations and not subject
8 to indirect costs of other charges.

9 (11)(a) For purposes of this chapter, and in accordance with this
10 section and RCW 36.29.190, the treasurer may collect taxes,
11 assessments, fees, rates, interest, and charges by electronic bill
12 presentment and payment. Electronic bill presentment and payment may
13 be utilized as an option by the taxpayer, but the treasurer may not
14 require the use of electronic bill presentment and payment.
15 Electronic bill presentment and payment may be on a monthly or other
16 periodic basis as the treasurer deems proper for delinquent tax year
17 payments only or for prepayments of current tax. All prepayments must
18 be paid in full by the due date specified in (c) of this subsection.
19 Payments on past due taxes must include collection of the oldest
20 delinquent year, which includes interest and taxes within a
21 twelve-month period, prior to filing a certificate of delinquency
22 under chapter 84.64 RCW or distraint pursuant to RCW 84.56.070.

23 (b) The treasurer must provide, by electronic means or otherwise,
24 a payment agreement that provides for payment of current year taxes,
25 inclusive of prepayment collection charges. The treasurer may
26 provide, by electronic means or otherwise, a payment agreement for
27 payment of past due delinquencies, which must also require current
28 year taxes to be paid timely. The payment agreement must be signed by
29 the taxpayer and treasurer prior to the sending of an electronic or
30 alternative bill, which includes a payment plan for current year
31 taxes. ~~((The treasurer may accept partial payment of current and
32 delinquent taxes including interest and penalties using electronic
33 bill presentment and payments.))~~

34 (c) All taxes upon real and personal property made payable by the
35 provisions of this title are due and payable to the treasurer on or
36 before the thirtieth day of April and are delinquent after that date.
37 The remainder of the tax is due and payable on or before the thirty-
38 first day of October following and is delinquent after that date. All
39 other assessments, fees, rates, and charges are delinquent after the
40 due date.

1 (d) A county treasurer may authorize payment of past due property
2 taxes, penalties, and interest under this chapter by electronic funds
3 transfer payments on a monthly basis. Delinquent taxes are subject to
4 interest and penalties, as provided in subsection (5) of this
5 section.

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

11 (12) The treasurer may accept partial payment of current and
12 delinquent taxes including interest and penalties.

13 (13) For purposes of this section unless the context clearly
14 requires otherwise, the following definitions apply:

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

19 (b) "Internet" has the same meaning as provided in RCW
20 19.270.010.

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