
HOUSE BILL 2250

State of Washington 65th Legislature 2017 3rd Special Session

By Representatives Pellicciotti and Frame

Read first time 07/20/17. Referred to Committee on Finance.

1 AN ACT Relating to property tax relief; adding a new section to
2 chapter 84.36 RCW; adding a new section to chapter 84.08 RCW; and
3 creating new sections.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that during the 2017
6 legislative session the governor preserved state tax revenue by
7 vetoing a provision in Substitute Senate Bill No. 5997 that would
8 have otherwise lowered the business and occupation tax rate for
9 certain manufacturers. It is the intent of the legislature to
10 dedicate that preserved tax revenue to property tax relief during the
11 2018 legislative session.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 84.36
13 RCW to read as follows:

14 The state property tax relief account is created in the state
15 treasury. All receipts from section 3 of this act must be deposited
16 in the account. Moneys in the account may be spent only after
17 appropriation. Expenditures from the account may be used only to
18 reimburse the state general fund for the impact of property tax
19 reduction efforts made pursuant to section 4 of this act.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 84.08
2 RCW to read as follows:

3 (1) By the last workday of each fiscal year quarter, the state
4 treasurer must transfer the amount specified in subsection (2) of
5 this section from the general fund to the state property tax relief
6 account created in section 2 of this act.

7 (2) By September 15th, December 15th, April 15th, and June 15th
8 of each fiscal year, the department must estimate the amount of state
9 revenues from a portion of the taxes collected under RCW 82.04.240
10 and 82.04.280, for the applicable current fiscal year quarter and
11 notify the state treasurer of the increase. The portion of the tax to
12 be dedicated is calculated as follows:

13 (a) The difference from a tax rate of 0.484 percent and a tax
14 rate of 0.4356 percent from January 1, 2019, through December 31,
15 2019;

16 (b) The difference from a tax rate of 0.484 percent and a tax
17 rate of 0.3872 percent from January 1, 2020, through December 31,
18 2020;

19 (c) The difference from a tax rate of 0.484 percent and a tax
20 rate of 0.3388 percent from January 1, 2021, through December 31,
21 2021; and

22 (d) The difference from a tax rate of 0.484 percent and a tax
23 rate of 0.2904 percent from January 1, 2022, and thereafter.

24 NEW SECTION. **Sec. 4.** It is the intent of the legislature to
25 enact property tax relief during the 2018 legislative session. In
26 preparation, the department of revenue must report, in compliance
27 with RCW 43.01.036, to the appropriate committees of the legislature
28 by November 1, 2017, on the following:

29 (1) By fiscal year, for the next ten years, the amount of revenue
30 expected to be transferred into the state property tax relief account
31 created in section 2 of this act;

32 (2) By calendar year, for the next ten years, the impact to the
33 state property tax rate if the amounts in the state property tax
34 relief account were used to reduce the state property tax rate;

35 (3) By calendar year, for the next ten years, how much the income
36 threshold for the exemption contained in RCW 84.36.381 could be
37 increased if the amounts in the state property tax relief account
38 were instead used to lower the income threshold; and

1 (4) By calendar year, for the next ten years, such other
2 approaches to property tax relief as might be proposed by the
3 department assuming the amounts in the state property tax relief
4 account were instead used for these approaches.

--- END ---