
SUBSTITUTE SENATE BILL 5314

State of Washington

65th Legislature

2017 Regular Session

By Senate Local Government (originally sponsored by Senators Wilson, Sheldon, Rivers, Becker, Miloscia, and Warnick)

READ FIRST TIME 02/03/17.

1 AN ACT Relating to county treasurer administrative efficiencies;
2 amending RCW 84.56.020, 84.56.050, and 82.45.090; and repealing 2014
3 c 13 s 3 (uncodified).

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 taxes
18 and assessments made payable by the provisions of this title are due
19 and payable to the county treasurer on or before the thirtieth day of
20 April and, except as provided in this section, (~~shall be~~) are
21 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))~~ is paid on or before the thirtieth day of April, the
11 remainder of such tax is due and payable on or before the following
12 thirty-first day of October (~~(following and shall be))~~ and is
13 delinquent after that 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
17 (~~(be))~~ is paid after the thirtieth day of April but before the
18 thirty-first day of October, together with the applicable interest
19 and penalty on the full amount of tax payable for that year, the
20 remainder of such tax is due and payable on or before the following
21 thirty-first day of October (~~(following))~~ and is delinquent after
22 that date.

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

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

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

37 (c) If a taxpayer is successfully participating in a payment
38 agreement under subsection (11)(b) of this section, the county
39 treasurer may not assess additional penalties on delinquent taxes
40 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 with the
8 administration of properties subject to and prior to foreclosure. Tax
9 foreclosure avoidance costs include:

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

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

17 (c) When tax foreclosure avoidance costs are collected, (~~the tax~~
18 ~~foreclosure avoidance costs~~) such costs must be credited to the
19 county treasurer 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
27 (~~on~~) regarding delinquent taxes imposed on the personal residences
28 owned by active duty military personnel who are participating as part
29 of one of the branches of the military involved in the conflict and
30 assigned to a duty station outside the territorial boundaries of the
31 United States.

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

37 (9) For purposes of this chapter, "interest" means both interest
38 and penalties.

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

1 foreclosure and sale of real property, and the fees and costs of
2 distraint and sale of personal property, for delinquent taxes, must,
3 when collected, be credited to the operation and maintenance fund of
4 the county treasurer prosecuting the foreclosure or distraint or
5 sale; and must be used by the county treasurer as a revolving fund to
6 defray the cost of further foreclosure, distraint, and sale (~~((for))~~)
7 because of delinquent taxes without regard to budget limitations.

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

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

37 (c) All taxes upon real and personal property made payable by the
38 provisions of this title are due and payable to the treasurer on or
39 before the thirtieth day of April and are delinquent after that date.
40 The remainder of the tax is due and payable on or before the

1 following thirty-first (~~day~~) of October (~~following~~) and is
2 delinquent after that date. All other assessments, fees, rates, and
3 charges are delinquent after the due date. The treasurer may accept a
4 one-time, electronic partial payment without a payment agreement.

5 (d) A county treasurer may authorize payment of past due property
6 taxes, penalties, and interest under this chapter by electronic funds
7 transfers (~~payments~~) on a monthly basis. Delinquent taxes are
8 subject to interest and penalties, as provided in subsection (5) of
9 this section.

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

15 (12) For purposes of this section unless the context clearly
16 requires otherwise, the following definitions apply:

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

21 (b) "Internet" has the same meaning as provided in RCW
22 19.270.010.

23 **Sec. 2.** RCW 84.56.050 and 1991 c 245 s 17 are each amended to
24 read as follows:

25 (1) On (~~receiving the tax rolls the treasurer shall post~~)
26 receipt of the certification of the tax rolls from the county
27 assessor, the county treasurer must transfer all real and personal
28 property taxes from the rolls to the treasurer's tax roll, and
29 (~~shall~~) must carry forward to the current tax rolls a memorandum of
30 all delinquent taxes on each and every description of property, (~~and~~
31 ~~enter the same on the property upon which the taxes are delinquent~~
32 ~~showing the amounts for each year. The treasurer shall notify each~~
33 ~~taxpayer in the county, at the expense of the county, of the amount~~
34 ~~of the real and personal property, and the current and delinquent~~
35 ~~amount of tax due on the same; and the treasurer shall have printed~~
36 ~~on the notice the name of each tax and the levy made on the same. The~~
37 ~~county treasurer shall be the sole collector of all delinquent taxes~~
38 ~~and all other taxes due and collectible on the tax rolls of the~~
39 ~~county: PROVIDED, That the term "taxpayer" as used in this section~~

1 ~~shall~~) entering which taxes are delinquent and the amounts for each
2 year. Except as provided otherwise in this section, the treasurer
3 must provide a printed notice or electronically publish, at the
4 expense of the county, information for each taxpayer, regarding the
5 amount of real and personal property, and the name of each tax and
6 levy made on the same. The county treasurer must be the sole
7 collector of all taxes, current or delinquent.

8 (2) For the purposes of this section, "taxpayer" means any person
9 charged, or whose property is charged, with property tax(~~and~~).

10 (3) The person to be notified (~~is that~~) under this section is
11 the person whose name appears on the tax roll herein mentioned(~~and~~
12 PROVIDED, FURTHER, That)). However, if:

13 (a) No name so appears the person to be notified is (~~that~~) the
14 person shown by the treasurer's tax rolls or duplicate tax receipts
15 of any preceding year as the payer of the tax last paid on the
16 property (~~in question~~); or

17 (b) The real property taxes are paid by a bank, as defined in RCW
18 62A.1-201, the name of each tax and levy in the property tax
19 information on the county treasurer's web site satisfies the notice
20 requirements of this section.

21 **Sec. 3.** RCW 82.45.090 and 2009 c 350 s 8 are each amended to
22 read as follows:

23 (1) Except for a sale of a beneficial interest in real property
24 where no instrument evidencing the sale is recorded in the official
25 real property records of the county in which the property is located,
26 the tax imposed by this chapter (~~shall~~) must be paid to and
27 collected by the treasurer of the county within which is located the
28 real property (~~which~~) that was sold. In collecting the tax the
29 county treasurer (~~shall~~) must act as agent for the state. The
30 county treasurer (~~shall~~) must cause a verification of payment
31 evidencing satisfaction of the lien to be affixed to the instrument
32 of sale or conveyance prior to its recording or to the real estate
33 excise tax affidavit in the case of used mobile home sales and used
34 floating home sales. A receipt issued by the county treasurer for the
35 payment of the tax imposed under this chapter (~~shall be~~) is
36 evidence of the satisfaction of the lien imposed (~~hereunder~~) in
37 this section and may be recorded in the manner prescribed for
38 recording satisfactions of mortgages. No instrument of sale or
39 conveyance evidencing a sale subject to the tax (~~shall~~) may be

1 accepted by the county auditor for filing or recording until the tax
2 ((shall have been)) is paid and the verification of payment affixed
3 thereto; in case the tax is not due on the transfer, the instrument
4 ((shall)) may not be so accepted until suitable notation of such fact
5 has been made on the instrument by the treasurer. ((Any time there is
6 a)) At the sale of a used mobile home, used manufactured home, used
7 park model, or used floating home that has not been title eliminated,
8 property taxes must be current in order to complete the processing of
9 the real estate excise tax affidavit or other documents transferring
10 title. Verification that the property taxes are current must be noted
11 on the mobile home real estate excise tax affidavit or on a form
12 approved by the county treasurer. For the purposes of this
13 subsection, "mobile home," "manufactured home," and "park model" have
14 the same meaning as provided in RCW 59.20.030.

15 (2) For a sale of a beneficial interest in real property where a
16 tax is due under this chapter and where no instrument is recorded in
17 the official real property records of the county in which the
18 property is located, the sale ((shall)) must be reported to the
19 department of revenue within five days from the ((date of the)) sale
20 date on such returns or forms and according to such procedures as the
21 department may prescribe. Such forms or returns ((shall)) must be
22 signed or electronically signed by both the transferor and the
23 transferee and ((shall)) must be accompanied by payment of the tax
24 due.

25 (3) Any person who intentionally makes a false statement on any
26 return or form required to be filed with the department under this
27 chapter is guilty of perjury under chapter 9A.72 RCW.

28 NEW SECTION. **Sec. 4.** 2014 c 13 s 3 (uncodified) is repealed.

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