

# SENATE BILL REPORT

## SB 5132

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As Amended by House, April 9, 2019

**Title:** An act relating to noncollection of taxes by county treasurers.

**Brief Description:** Addressing noncollection of taxes by county treasurers.

**Sponsors:** Senators Takko and Short.

**Brief History:**

**Committee Activity:** Local Government: 1/22/19 [DP].

**Floor Activity:**

Passed Senate: 2/25/19, 48-0.

Passed House: 4/09/19, 97-0.

**Brief Summary of Bill**

- Removes liability for when a county treasurer neglects to either collect personal property tax or file a delinquent list.

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### SENATE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass.

Signed by Senators Takko, Chair; Salomon, Vice Chair; Short, Ranking Member; Honeyford and Liias.

**Staff:** Bonnie Kim (786-7316)

**Background:** County Treasurers and Tax Rolls. Real and personal property is subject to regular property taxes each year. Regular property tax means a property tax levied by or for a taxing district subject to certain constitutional and statutory limitations. Junior taxing districts may also impose a regular property tax. Property taxes for all property listed, assessed, and placed on county tax rolls are collected by the county treasurer.

On receipt of the certification of the tax rolls from the county auditor, the county treasurer must notify each taxpayer of the amount of real and personal property, the name of each tax and levy on such property, and any delinquent amount of tax due. If a county treasurer willfully refuses or neglects to collect taxes assessed on personal property or to file the

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delinquent list, the treasurer is held liable for the whole amount of uncollected tax and the amount due is deducted from the treasurer's salary.

**Summary of Bill:** A provision allowing for county treasurer liability for uncollected personal property tax when the county treasurer neglects to collect the tax or file the delinquent list is removed.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: There are instances where county treasurers may be held liable but should not be. This bill makes treasurers technically liable for not attempting to collect certain taxes when to do so would be cost prohibitive. "Neglects to" is a less clear standard than "willfully refuses" and this bill will clarify county treasurer responsibility.

**Persons Testifying:** PRO: Senator Dean Takko, Prime Sponsor; Arny Davis, Washington State Association of County Treasurers (WSACT); Jeff Gadman, WSACT.

**Persons Signed In To Testify But Not Testifying:** No one.

**EFFECT OF HOUSE AMENDMENT(S):** Requires each county treasurer to report the amount of uncollected personal property and real property taxes to the Department of Commerce in cases where the county treasurer has refused to collect such taxes. Commerce must provide a summary of that list of uncollected taxes to the Legislature by July 15th of each year.