

NEW SECTION. Sec. 12. Sections 1 through 11 of this act shall take effect on October 1, 1984. The director of licensing is authorized to immediately take such steps as are necessary to insure that this act is implemented on its effective date.

Passed the Senate February 28, 1984.

Passed the House February 16, 1984.

Approved by the Governor March 7, 1984.

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CHAPTER 131

[Substitute Senate Bill No. 3178]

PROPERTY TAXATION—DELINQUENCIES AND PENALTIES—VOTER APPROVAL OF PROPERTY TAX LEVIES—CLARIFICATION— CONSERVATION FUTURES ON AGRICULTURAL LAND

AN ACT Relating to property taxation; amending section 84.56.020, chapter 15, Laws of 1961 as last amended by section 2, chapter 322, Laws of 1981 and RCW 84.56.020; amending section 13, chapter 22, Laws of 1982 1st ex. sess. and RCW 67.38.130; amending section 1, chapter 200, Laws of 1979 ex. sess. and RCW 84.52.069; amending section 18, chapter 210, Laws of 1981 and RCW 36.69.145; amending section 9, chapter 218, Laws of 1963 as last amended by section 7, chapter 210, Laws of 1981 and RCW 36.68.480; amending section 13, chapter 218, Laws of 1963 as last amended by section 83, chapter 167, Laws of 1983 and RCW 36.68.520; adding a new section to chapter 29.30 RCW; adding a new section to chapter 36.68 RCW; adding a new section to chapter 84.36 RCW; creating new sections; and repealing section 271, chapter 167, Laws of 1983.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 84.56.020, chapter 15, Laws of 1961 as last amended by section 2, chapter 322, Laws of 1981 and RCW 84.56.020 are each amended to read as follows:

The county treasurer shall be the receiver and collector of all taxes extended upon the tax rolls of the county, whether levied for state, county, school, bridge, road, municipal or other purposes, and also of all fines, forfeitures or penalties received by any person or officer for the use of his or her county. All taxes upon real and personal property made payable by the provisions of this title shall be due and payable to the treasurer as aforesaid on or before the thirtieth day of April and shall be delinquent after that date: PROVIDED, That when the total amount of tax on personal property or on any lot, block or tract of real property payable by one person is ten dollars or more, and if one-half of such tax be paid on or before the said thirtieth day of April, the remainder of such tax shall be due and payable on or before the thirty-first day of October following and shall be delinquent after that date: PROVIDED FURTHER, That when the total amount of tax on any lot, block or tract of real property payable by one person is ten dollars or more, and if one-half of such tax be paid after the thirtieth day of April but before the thirty-first day of October, together with the applicable interest and penalty on the full amount of such tax, the

remainder of such tax shall be due and payable on or before the thirty-first day of October following and shall be delinquent after that date.

Delinquent taxes under this section are subject to interest at the rate of twelve percent per annum computed on a monthly basis from the date of delinquency until paid. Interest shall be calculated at the rate in effect at the time of payment of the tax, regardless of when the taxes were first delinquent. In addition, delinquent taxes under this section are subject to penalties as follows:

(1) A penalty of three percent shall be assessed on the amount of tax delinquent on May 31st of the year in which the tax is due.

(2) An additional penalty of eight percent shall be assessed on the total amount of tax delinquent on November 30th of the year in which the tax is due.

(3) Penalties under this section shall not be assessed on taxes that were first delinquent prior to 1982.

For purposes of this chapter, "interest" means both interest and penalties.

All collections of interest on delinquent taxes shall be credited to the county current expense fund; but the cost of foreclosure and sale of real property, and the fees and costs of distraint and sale of personal property, for delinquent taxes, shall, when collected, be credited to the operation and maintenance fund of the county treasurer prosecuting the foreclosure or distraint or sale; and shall be used by the county treasurer as a revolving fund to defray the cost of further foreclosure, distraint and sale for delinquent taxes without regard to budget limitations.

NEW SECTION. Sec. 2. The purpose of sections 3 through 6 of this act is to clarify requirements necessary for voters to authorize certain local governments to impose regular property tax levies for a series of years. Sections 3 through 9 of this act only clarify the existing law to avoid credence being given to an erroneous opinion that has been rendered by the attorney general. As cogently expressed in Attorney General Opinion, Number 14, Addendum, opinions rendered by the attorney general are advisory only and are merely a "prediction of the outcome if the matter were to be litigated." Nevertheless, confusion has arisen from this erroneous opinion.

NEW SECTION. Sec. 3. There is added to chapter 29.30 RCW a new section to read as follows:

The ballot proposition authorizing a taxing district to impose the regular property tax levies authorized in RCW 36.69.145, 67.38.130, or 84.52-.069 shall contain in substance the following:

"Shall the (insert the name of the taxing district) be authorized to impose regular property tax levies of (insert the maximum rate) or less per thousand dollars of assessed valuation for each of

..... (insert the maximum number of years allowable) consecutive years?

Yes.....

No

Each voter shall indicate either "Yes" or "No" on his or her ballot in accordance with the procedures established under this title.

Sec. 4. Section 13, chapter 22, Laws of 1982 1st ex. sess. and RCW 67.38.130 are each amended to read as follows:

The governing body of a cultural arts, stadium and convention district may levy or cause to levy the following ad valorem taxes:

(1) ((~~★~~)) Regular ad valorem property tax ((levy)) levies in an amount equal to twenty-five cents or less per thousand dollars of the assessed value of property in the district in each year for six consecutive years((~~-This six year levy must be approved~~)) when specifically authorized so to do by a majority of at least three-fifths of the electors thereof ((~~voting on the~~)) approving a proposition authorizing the levies submitted at a general or special election, at which election the number of persons voting "yes" on the proposition shall constitute three-fifths of a number equal to forty percentum of the total votes cast in such taxing district at the last preceding general election; or by a majority of at least three-fifths of the electors thereof voting on the proposition ((to levy)) when the number of electors voting yes on the proposition exceeds forty percentum of the total votes cast in such taxing district in the last preceding general election. Ballot propositions shall conform with section 3 of this 1984 act.

In the event a cultural arts, stadium and convention ((~~districts are~~)) district is levying property taxes, which in combination with property taxes levied by other taxing districts ((~~result in taxes in excess of~~)) subject to the one percent limitation provided for in Article VII, section 2, of our state Constitution result in taxes in excess of the limitation provided for in RCW 84.52.043, the cultural arts, stadium and convention district property tax levy shall be reduced or eliminated before the property tax levies of other taxing districts are reduced: PROVIDED, That no cultural arts, stadium, and convention district may pledge anticipated revenues derived from the property tax herein authorized as security for payments of bonds issued pursuant to subsection (1) of this section: PROVIDED, FURTHER, That such limitation shall not apply to property taxes approved pursuant to subsections (2) and (3) of this section.

The limitation in RCW 84.55.010 shall apply to levies after the first levy authorized under this section following the approval of such levy by voters pursuant to this section.

(2) An annual excess ad valorem property tax for general district purposes when authorized by the district voters in the manner prescribed by section 2, Article VII of the Constitution and by RCW 84.52.052.

(3) Multi-year excess ad valorem property tax levies used to retire general obligation bond issues when authorized by the district voters in the manner prescribed by section 2, Article VII of the Constitution and by RCW 84.52.056.

The district shall include in its regular property tax levy for each year a sum sufficient to pay the interest and principal on all outstanding general obligation bonds issued without voter approval pursuant to RCW 67.38.110 and may include a sum sufficient to create a sinking fund for the redemption of all outstanding bonds.

Sec. 5. Section 1, chapter 200, Laws of 1979 ex. sess. and RCW 84.52.069 are each amended to read as follows:

(1) As used in this section, "taxing district" means a county, emergency medical service district, city or town, public hospital district, or fire protection district.

(2) A taxing district may impose ~~((an))~~ additional regular property tax ~~((levy))~~ levies in an amount equal to twenty-five cents or less per thousand dollars of the assessed value of property in the taxing district in each year for six consecutive years ~~((This six-year levy must be approved))~~ when specifically authorized so to do by a majority of at least three-fifths of the electors thereof ~~((voting on the))~~ approving a proposition authorizing the levies submitted at a general or special election, at which election the number of persons voting "yes" on the proposition shall constitute three-fifths of a number equal to forty per centum of the total votes cast in such taxing district at the last preceding general election when the number of electors voting on the proposition does not exceed forty per centum of the total votes cast in such taxing district in the last preceding general election; or by a majority of at least three-fifths of the electors thereof voting on the proposition ~~((to levy))~~ when the number of electors voting on the proposition exceeds forty per centum of the total votes cast in such taxing district in the last preceding general election. Ballot propositions shall conform with section 3 of this 1984 act.

(3) Any tax imposed under this section shall be used only for the provision of emergency medical care or emergency medical services, including related personnel costs, training for such personnel, and related equipment, supplies, vehicles and structures needed for the provision of emergency medical care or emergency medical services.

(4) If a county levies a tax under this section, no taxing district within the county may levy a tax under this section. No other taxing district may levy a tax under this section if another taxing district has levied a tax under this section within its boundaries: PROVIDED, That if a taxing district within a county levies this tax, and the voters of the county subsequently approve a levying of this tax, then the tax levy for emergency medical services shall cease being levied in the taxing district originally levying it and

shall be replaced with the county-wide levy. Whenever a tax is levied county-wide, the service shall, insofar as is feasible, be provided throughout the county: PROVIDED FURTHER, That no county-wide levy proposal may be placed on the ballot without the approval of the legislative authority of each city exceeding fifty thousand population within the county: PROVIDED FURTHER, That this section and RCW 36.32.480 shall not prohibit any city or town from levying an annual excess levy to fund emergency medical services.

(5) The tax levy authorized in this section is in addition to the tax levy authorized in RCW 84.52.043.

(6) The limitation in RCW 84.55.010 shall not apply to the first levy imposed pursuant to this section following the approval of such levy by the voters pursuant to subsection (2) of this section.

Sec. 6. Section 18, chapter 210, Laws of 1981 and RCW 36.69.145 are each amended to read as follows:

(1) A park and recreation district may impose ((a)) regular property tax ((levy)) levies in an amount equal to fifteen cents or less per thousand dollars of assessed value of property in the district in each year for five consecutive years when specifically authorized so to do by a majority of at least three-fifths of the voters thereof ((voting on the)) approving a proposition ((to levy such additional tax submitted not more than twelve months prior to the date on which the proposed levy is to be made and not oftener than twice in the twelve month period, either)) authorizing the levies submitted at a special election or at the regular election of the district, at which election the number of persons voting "yes" on the proposition shall constitute three-fifths of a number equal to forty per centum of the total votes cast in such district at the last preceding general election when the number of electors voting on the proposition does not exceed forty per centum of the total votes cast in such taxing district in the last preceding general election; or by a majority of at least three-fifths of the electors thereof voting on the proposition if the number of electors voting on the proposition exceeds forty per centum of the total votes cast in such taxing district in the last preceding general election. A proposition authorizing the tax levies shall not be submitted by a park and recreation district more than twice in any twelve-month period. Ballot propositions shall conform with section 3 of this 1984 act. In the event a park and recreation ((districts are)) district is levying property taxes, which in combination with property taxes levied by other taxing districts ((result in taxes in excess of)) subject to the one percent limitation provided for in Article 7, section ((+2)) 2, of our state Constitution result in taxes in excess of the limitation provided for in RCW 84.52.043, the park and recreation district property tax levy shall be reduced or eliminated before the property tax levies of other taxing districts are reduced.

(2) The limitation in RCW 84.55.010 shall not apply to the first levy imposed under this section following the approval of the levies by the voters under subsection (1) of this section.

Sec. 7. Section 9, chapter 218, Laws of 1963 as last amended by section 7, chapter 210, Laws of 1981 and RCW 36.68.480 are each amended to read as follows:

If the petition or resolution initiating the formation of the proposed park and recreation service area proposes that the initial ~~((improvements of services))~~ capital or operational costs are to be financed by regular property tax levies for a six-year period as authorized by section 9 of this 1984 act, or an annual excess levy, or that proposed capital costs are to be financed by the issuance of general obligation bonds and bond retirement levies, a ~~((special election))~~ proposition or propositions for ~~((that))~~ such purpose or purposes shall be ~~((conducted))~~ submitted to the voters of the proposed service area at the same election ~~((within the boundaries of the proposed service area))~~. A proposition or propositions for regular property tax levies for a six-year period as authorized by section 9 of this 1984 act, an annual excess levy, or the issuance of general obligation bonds and bond retirement levies, may also be submitted to the voters at any general or special election.

Sec. 8. Section 13, chapter 218, Laws of 1963 as last amended by section 83, chapter 167, Laws of 1983 and RCW 36.68.520 are each amended to read as follows:

(1) A park and recreation service area shall ~~((not have power to levy an annual authorized levy, but it shall))~~ have the power to levy ~~((a tax))~~ an annual excess levy upon the property included within the service area if authorized at a special election called for the purpose in the manner prescribed by section 2, Article VII of the Constitution and by RCW 84.52-.052. ~~((The special voted))~~ This excess levy may be either for operating fund or for capital outlay, or for a cumulative reserve fund.

(2) A service area may issue general obligation bonds for capital purposes only, not to exceed an amount, together with any outstanding general obligation indebtedness, equal to three-eighths of one percent of the value of the taxable property within the district, and may provide for the retirement thereof by levies in excess of dollar rate in accordance with the provisions of Article VII, section 2 of the Constitution and RCW 84.52.056: PROVIDED, That such districts may issue bonds equal to two and one-half percent of the value of the taxable property within the district, as the term "value of the taxable property" is defined in RCW 39.36.015, when such bonds are approved by the voters of the district at a special election called for the purpose. Such bonds may be in any form, including coupon bonds or registered bonds as provided in RCW 39.46.030.

(3) Notwithstanding subsection (2) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW.

NEW SECTION. Sec. 9. There is added to chapter 36.68 RCW a new section to read as follows:

A park and recreation service area may impose regular property tax levies in an amount equal to fifteen cents or less per thousand dollars of assessed value of property in the service area in each year for six consecutive years when specifically authorized so to do by a majority of at least three-fifths of the voters thereof approving a proposition authorizing the levies submitted not more than twelve months prior to the date on which the proposed initial levy is to be made and not oftener than twice in such twelve month period, either at a special election or at the regular election of the service area, at which election the number of persons voting "yes" on the proposition shall constitute three-fifths of a number equal to forty percent of the total votes cast in the service area at the last preceding general election when the number of electors voting on the proposition does not exceed forty percent of the total votes cast in such taxing district in the last preceding general election; or by a majority of at least three-fifths of the electors thereof voting on the proposition if the number of electors voting on the proposition exceeds forty per centum of the total votes cast in such taxing district in the last preceding general election. A proposition authorizing such tax levies shall not be submitted by a park and recreation district more than twice in any twelve-month period. Ballot propositions shall conform with section 3 of this act. If a park and recreation service area is levying property taxes, which in combination with property taxes levied by other taxing districts result in taxes in excess of the nine-dollar and fifteen cents per thousand dollars of assessed valuation limitation provided for in RCW 84.52.043, the park and recreation service area property tax levy shall be reduced or eliminated before the property tax levies of other taxing districts are reduced.

NEW SECTION. Sec. 10. Section 271, chapter 167, Laws of 1983 is repealed.

NEW SECTION. Sec. 11. There is added to chapter 84.36 RCW a new section to read as follows:

All conservation futures on agricultural lands acquired pursuant to RCW 64.04.130 or 84.34.200 through 84.34.240, that are held by any non-profit corporation or association, the primary purpose of which is conserving agricultural lands and preventing the conversion of such lands to non-agricultural uses, shall be exempt from ad valorem taxation if:

- (1) The conservation futures are of an unlimited duration;
- (2) The conservation futures are effectively restricted to preclude non-agricultural uses on such agricultural land; and
- (3) The lands are classified as farm and agricultural lands under chapter 84.34 RCW: PROVIDED, That at such time as these property interests are not used for the purposes enumerated in RCW 84.34.210 and 64.04.130 the additional tax specified in RCW 84.34.108(3) shall be imposed.

NEW SECTION. Sec. 12. Section 1 of this act applies to taxes payable in 1985 and thereafter.

Passed the Senate February 28, 1984.

Passed the House February 25, 1984.

Approved by the Governor March 7, 1984.

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CHAPTER 132

[Engrossed Senate Bill No. 3262]

PUBLIC UTILITY BUSINESSES—PRIVATE CAR COMPANIES—REPORT FILING—PENALTY FOR FAILURE TO COMPLY—EQUALIZATION OF ASSESSMENTS—DELINQUENT TAXES

AN ACT Relating to property taxation; amending section 84.12.230, chapter 15, Laws of 1961 as amended by section 161, chapter 278, Laws of 1975 1st ex. sess. and RCW 84.12.230; amending section 84.12.260, chapter 15, Laws of 1961 as amended by section 164, chapter 278, Laws of 1975 1st ex. sess. and RCW 84.12.260; amending section 84.16.036, chapter 15, Laws of 1961 as amended by section 178, chapter 278, Laws of 1975 1st ex. sess. and RCW 84.16.036; amending section 17, chapter 260, Laws of 1981 and RCW 84.48.110; amending section 84.56.270, chapter 15, Laws of 1961 and RCW 84.56.270; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 84.12.230, chapter 15, Laws of 1961 as amended by section 161, chapter 278, Laws of 1975 1st ex. sess. and RCW 84.12.230 are each amended to read as follows:

Each company doing business in this state shall annually on or before the 15th day of March, make and file with the department of revenue an annual report, in such manner, upon such form, and giving such information as the department may direct: PROVIDED, That the department, upon written request filed on or before such date and for good cause shown therein, may allow an extension of time for filing not to exceed sixty days. At the time of making such report each company shall also be required to furnish to the department the annual reports of the board of directors, or other officers to the stockholders of the company, duplicate copies of the annual reports made to the interstate commerce commission and to the utilities and transportation commission of this state and duplicate copies of such other reports as the department may direct: PROVIDED, That the duplicate copies of these annual reports shall not be due until such time as they are due to the stockholders or commissioners.

Sec. 2. Section 84.12.260, chapter 15, Laws of 1961 as amended by section 164, chapter 278, Laws of 1975 1st ex. sess. and RCW 84.12.260 are each amended to read as follows:

(1) If any company shall fail to materially comply with the provisions of RCW 84.12.230, the department shall add to the value of such company, as a penalty for such failure, five percent for every thirty days or fraction thereof, not to exceed ten percent, that the company fails to comply.