

NEW SECTION. Sec. 2. This act shall take effect January 1, 1988.

Passed the Senate April 21, 1987.

Passed the House April 13, 1987.

Approved by the Governor May 11, 1987.

Filed in Office of Secretary of State May 11, 1987.

CHAPTER 319

[Engrossed House Bill No. 772]

TAX REVISIONS—TAX REFUNDS INTEREST RATE—FIREMEN PENSION FUNDING TAX LEVY MODIFIED—COUNTY REVALUATION PLANS— DESTROYED PROPERTY ASSESSMENT—IRRIGATION COMPONENTS

AN ACT Relating to the administration of property tax refunds, collections, and revaluation plans; amending RCW 84.69.100, 41.16.060, 84.40.200, 84.41.041, 36.21.080, 84.70.010, 84.70.040, and 36.95.080; adding a new section to chapter 84.04 RCW; and repealing RCW 84.70.020 and 84.70.030.

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

Sec. 1. Section 84.69.100, chapter 15, Laws of 1961 as amended by section 4, chapter 5, Laws of 1973 2nd ex. sess. and RCW 84.69.100 are each amended to read as follows:

Refunds of taxes made pursuant to RCW 84.69.010 through 84.69.090 shall include interest (~~((at the rate of five percent per annum))~~) from the date of collection of the portion refundable or from the date of claim for refund, whichever is later: PROVIDED, That refunds on a state, county, or district wide basis (~~((during 1973))~~) shall not commence to accrue interest until six months following the date of the final order of the court. No written protest by individual taxpayers need to be filed to receive a refund (~~((pursuant to this 1973 amendatory act))~~) on a state, county, or district wide basis. The rate of interest shall be the equivalent coupon issue yield (as published by the Federal Reserve Bank of San Francisco) of the average bill rate for twenty-six week treasury bills as determined at the first bill market auction conducted after June 30th of the calendar year preceding the date the taxes were paid or the claim for refund is filed, whichever is later. The department of revenue shall adopt this rate of interest by rule.

Sec. 2. Section 6, chapter 91, Laws of 1947 as last amended by section 4, chapter 155, Laws of 1980 and RCW 41.16.060 are each amended to read as follows:

It shall be the duty of the legislative authority of each municipality, each year as a part of its annual tax levy, to levy and place in the fund a tax of twenty-two and one-half cents per thousand dollars of assessed value against all the taxable property of such municipality: PROVIDED, That if a report by a qualified actuary on the condition of the fund establishes that the whole or any part of said dollar rate is not necessary to maintain the actuarial soundness of the fund, the levy of said twenty-two and one-half

cents per thousand dollars of assessed value may be omitted, or the whole or any part of said dollar rate may be levied and used for any other municipal purpose.

It shall be the duty of the legislative authority of each municipality, each year as a part of its annual tax levy and in addition to the city levy limit set forth in RCW (~~84.52.050, as now or hereafter amended~~) 84.52.043, to levy and place in the fund an additional tax of twenty-two and one-half cents per thousand dollars of assessed value against all taxable property of such municipality: PROVIDED, That if a report by a qualified actuary establishes that all or any part of the additional twenty-two and one-half cents per thousand dollars of assessed value levy is unnecessary to meet the estimated demands on the fund under this chapter for the ensuing budget year, the levy of said additional twenty-two and one-half cents per thousand dollars of assessed value may be omitted, or the whole or any part of such dollar rate may be levied and used for any other municipal purpose; PROVIDED FURTHER, That cities that have annexed to library districts according to RCW 27.12.360 through 27.12.395 and/or fire protection districts according to RCW 52.04.061 through 52.04.081 shall not levy this additional tax to the extent that it causes the combined levies to exceed the statutory or constitutional limits.

The amount of a levy under this section allocated to the pension fund may be reduced in the same proportion as the regular property tax levy of the municipality is reduced by chapter 84.55 RCW.

Sec. 3. Section 84.40.200, chapter 15, Laws of 1961 and RCW 84.40.200 are each amended to read as follows:

(1) In all cases of failure to obtain a statement of personal property, from any cause, it shall be the duty of the assessor to ascertain the amount and value of such property and assess the same at such amount as he believes to be the true value thereof.

(2) The assessor, in all cases of the assessment of personal property, shall deliver or mail to the person assessed, or to the person listing the property, a copy of the statement of property hereinbefore required, showing the valuation of the property so listed(~~(, which copy shall be signed by the assessor)~~).

Sec. 4. Section 2, chapter 131, Laws of 1974 ex. sess. as last amended by section 2, chapter 46, Laws of 1982 1st ex. sess. and RCW 84.41.041 are each amended to read as follows:

Each county assessor shall cause taxable real property to be physically inspected and valued at least once every six years in accordance with RCW 84.41.030, and in accordance with a plan filed with and approved by the department of revenue. Such revaluation plan shall provide that a reasonable portion of all taxable real property within a county shall be revalued and these newly-determined values placed on the assessment rolls each year. The department may approve a plan that provides that all property in

the county be revalued every two years. If the revaluation plan provides for physical inspection at least once each four years, during the intervals between each physical inspection of real property, the valuation of such property may be adjusted to its current true and fair value, such adjustments to be based upon appropriate statistical data. If the revaluation plan provides for physical inspection less frequently than once each four years, during the intervals between each physical inspection of real property, the valuation of such property shall be adjusted to its current true and fair value, such adjustments to be made once each year and to be based upon appropriate statistical data.

The assessor may require property owners to submit pertinent data respecting taxable property in their control including data respecting any sale or purchase of said property within the past five years, the cost and characteristics of any improvement on the property and other facts necessary for appraisal of the property.

Sec. 5. Section 36.21.080, chapter 4, Laws of 1963 as last amended by section 1, chapter 220, Laws of 1985 and RCW 36.21.080 are each amended to read as follows:

~~((+))~~ The county assessor is authorized to place any property under the provisions of RCW 36.21.040 through 36.21.080 on the assessment rolls for the purposes of tax levy up to August 31st of each year. The assessed valuation of property under the provisions of RCW 36.21.040 through 36.21.080 shall be considered as of July 31st of that year.

~~((2))~~ If, on or before December 31 in any calendar year, any real or personal property placed upon the assessment roll of that year is destroyed in whole or in part, or is in an area that has been declared a disaster area by the governor and has been reduced in value by more than twenty percent as a result of a natural disaster, the true cash value of such property shall be reduced for that year by an amount determined as follows, without necessity of taxpayer application under chapter 84.70 RCW:

~~(a)~~ First take the true cash value of such taxable property before destruction or reduction in value and deduct therefrom the true cash value of the remaining property after destruction or reduction in value.

~~(b)~~ Then divide any amount remaining by twelve and multiply the quotient by the number of months or major fraction thereof remaining after the date of the destruction or reduction in value of the property.

~~(c)~~ If destroyed property is replaced prior to the valuation dates contained in subsection (1) of this section and RCW 36.21.090, the total taxable value for that year shall not exceed the value as of the appropriate valuation date in subsection (1) of this section or RCW 36.21.090 whichever is appropriate:))

Sec. 6. Section 3, chapter 196, Laws of 1974 ex. sess. as last amended by section 1, chapter 274, Laws of 1981 and RCW 84.70.010 are each amended to read as follows:

(1) If, on or before December 31 in any calendar year, any real or personal property placed upon the assessment roll of that year is destroyed in whole or in part, or is in an area that has been declared a disaster area by the governor and has been reduced in value by more than twenty percent as a result of a natural disaster, the true cash value of such property shall be reduced for that year by an amount determined as follows:

(a) First take the true cash value of such taxable property before destruction or reduction in value and deduct therefrom the true cash value of the remaining property after destruction or reduction in value.

(b) Then divide any amount remaining by ~~((twelve))~~ the number of days in the year and multiply the quotient by the number of ~~((months or major fraction thereof))~~ days remaining in the calendar year after the date of the destruction or reduction in value of the property.

~~(2) ((The amount of taxes to be abated under this section shall be determined by multiplying the amount of net loss determined under subsection (1) of this section by the rate percent of levy applicable to the property in the tax year to which the reduction of assessed value is applicable))~~ No reduction in the true cash value shall be made more than three years after the date of destruction or reduction in value.

(3) The assessor shall make such reduction on his or her own motion; however, the taxpayer may make application for reduction on forms prepared by the department and provided by the assessor. The assessor shall notify the taxpayer of the amount of reduction.

(4) If destroyed property is replaced prior to the valuation dates contained in RCW 36.21.080 and 36.21.090, the total taxable value for that year shall not exceed the value as of the appropriate valuation date in RCW 36.21.080 or 36.21.090, whichever is appropriate.

(5) The taxpayer may appeal the amount of reduction to the county board of equalization within thirty days of notification or July 15th of the year of reduction, whichever is later. The board shall reconvene, if necessary, to hear the appeal.

Sec. 7. Section 6, chapter 196, Laws of 1974 ex. sess. and RCW 84.70.040 are each amended to read as follows:

No relief under ~~((RCW 84.70.010 through 84.70.040))~~ this chapter shall be given to any person who is convicted of arson with regard to the property for which relief is sought.

NEW SECTION. Sec. 8. A new section is added to chapter 84.04 RCW to read as follows:

Notwithstanding RCW 84.04.080 and 84.04.090, the department shall classify, by rule, the components of irrigation systems as real or personal property for purposes of taxation under this title.

***Sec. 9. Section 8, chapter 155, Laws of 1971 ex. sess. as amended by section 1, chapter 52, Laws of 1981 and RCW 36.95.080 are each amended to read as follows:**

The board shall, on or before the first day of July of any given year, ascertain and prepare a list of all persons believed to own television sets within the district, other than persons using a satellite dish antenna for such television sets, and deliver a copy of such list to the county ((assessor)) treasurer.

***Sec. 9 was vetoed, see message at end of chapter.**

NEW SECTION. Sec. 10. The following acts or parts of acts are each repealed:

(1) Section 4, chapter 196, Laws of 1974 ex. sess., section 3, chapter 120, Laws of 1975 1st ex. sess., section 1, chapter 200, Laws of 1977 ex. sess., section 2, chapter 274, Laws of 1981 and RCW 84.70.020; and

(2) Section 5, chapter 196, Laws of 1974 ex. sess., section 4, chapter 120, Laws of 1975 1st ex. sess. and RCW 84.70.030.

Passed the House March 10, 1987.

Passed the Senate April 16, 1987.

Approved by the Governor May 11, 1987, with the exception of certain items which were vetoed.

Filed in Office of Secretary of State May 11, 1987.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 9, Engrossed House Bill No. 772, entitled:

"AN ACT Relating to the administration of property tax refunds, collections and revaluation plans."

This bill makes a number of changes to update and clarify various issues related to the administration of property taxes. I support these changes.

Section 9 would exempt owners of satellite dishes from the TV improvement district levy. Apparently there are only two TV improvement districts in the state and this technical amendment is not practical for them to implement. For this reason I have vetoed this section.

With the exception of section 9, Engrossed House Bill No. 772 is approved.*

CHAPTER 320

[Substitute House Bill No. 920]

MOTOR VEHICLE INSURANCE RATES BASED ON ANTI-THEFT DEVICES AND LIGHTING

AN ACT Relating to rate-making criteria for private passenger automobile insurance; adding a new section to chapter 48.19 RCW; and providing an effective date.

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

***NEW SECTION.** Sec. 1. A new section is added to chapter 48.19 RCW to read as follows: