

SSB 5368 - H COMM AMD
By Committee on Finance

ADOPTED 04/08/2009

1 Beginning on page 4, line 9, strike all of section 5 and insert the
2 following:

3 "**Sec. 5.** RCW 82.45.180 and 2006 c 312 s 1 are each amended to read
4 as follows:

5 (1)(a) For taxes collected by the county under this chapter, the
6 county treasurer shall collect a five-dollar fee on all transactions
7 required by this chapter where the transaction does not require the
8 payment of tax. A total of five dollars shall be collected in the form
9 of a tax and fee, where the calculated tax payment is less than five
10 dollars. Through June 30, 2006, the county treasurer shall place one
11 percent of the taxes collected by the county under this chapter and the
12 treasurer's fee in the county current expense fund to defray costs of
13 collection. After June 30, 2006, the county treasurer shall place one
14 and three-tenths percent of the taxes collected by the county under
15 this chapter and the treasurer's fee in the county current expense fund
16 to defray costs of collection. For taxes collected by the county under
17 this chapter before July 1, 2006, the county treasurer shall pay over
18 to the state treasurer and account to the department of revenue for the
19 proceeds at the same time the county treasurer remits funds to the
20 state under RCW 84.56.280. For taxes collected by the county under
21 this chapter after June 30, 2006, on a monthly basis the county
22 treasurer shall pay over to the state treasurer the month's
23 transmittal. The month's transmittal must be received by the state
24 treasurer by 12:00 p.m. on the last working day of each month. The
25 county treasurer shall account to the department for the month's
26 transmittal by the twentieth day of the month following the month in
27 which the month's transmittal was paid over to the state treasurer.
28 The state treasurer shall deposit the proceeds in the general fund.

29 (b) For purposes of this subsection, the definitions in this
30 subsection apply.

1 (i) "Close of business" means the time when the county treasurer
2 makes his or her daily deposit of proceeds.

3 (ii) "Month's transmittal" means all proceeds deposited by the
4 county through the close of business of the day that is two working
5 days before the last working day of the month. This definition of
6 "month's transmittal" shall not be construed as requiring any change in
7 a county's practices regarding the timing of its daily deposits of
8 proceeds.

9 (iii) "Proceeds" means moneys collected and receipted by the county
10 from the taxes imposed by this chapter, less the county's share of the
11 proceeds used to defray the county's costs of collection allowable in
12 (a) of this subsection.

13 (iv) "Working day" means a calendar day, except Saturdays, Sundays,
14 and all legal holidays as provided in RCW 1.16.050.

15 (2) For taxes collected by the department of revenue under this
16 chapter, the department shall remit the tax to the state treasurer who
17 shall deposit the proceeds of any state tax in the general fund. The
18 state treasurer shall deposit the proceeds of any local taxes imposed
19 under chapter 82.46 RCW in the local real estate excise tax account
20 hereby created in the state treasury. Moneys in the local real estate
21 excise tax account may be spent only for distribution to counties,
22 cities, and towns imposing a tax under chapter 82.46 RCW. Except as
23 provided in RCW 43.08.190, all earnings of investments of balances in
24 the local real estate excise tax account shall be credited to the local
25 real estate excise tax account and distributed to the counties, cities,
26 and towns monthly. Monthly the state treasurer shall make distribution
27 from the local real estate excise tax account to the counties, cities,
28 and towns the amount of tax collected on behalf of each taxing
29 authority. The state treasurer shall make the distribution under this
30 subsection without appropriation.

31 (3)(a) The real estate excise tax electronic technology account is
32 created in the custody of the state treasurer. An appropriation is not
33 required for expenditures and the account is not subject to allotment
34 procedures under chapter 43.88 RCW.

35 (b) Through June 30, 2010, the county treasurer shall collect an
36 additional five-dollar fee on all transactions required by this
37 chapter, regardless of whether the transaction requires the payment of
38 tax. The county treasurer shall remit this fee to the state treasurer

1 at the same time the county treasurer remits funds to the state under
2 subsection (1) of this section. The state treasurer shall place money
3 from this fee in the real estate excise tax electronic technology
4 account. By the twentieth day of the subsequent month, the state
5 treasurer shall distribute to each county treasurer according to the
6 following formula: Three-quarters of the funds available shall be
7 equally distributed among the thirty-nine counties; and the balance
8 shall be ratably distributed among the counties in direct proportion to
9 their population as it relates to the total state's population based on
10 most recent statistics by the office of financial management.

11 (c) When received by the county treasurer, the funds shall be
12 placed in a special real estate excise tax electronic technology fund
13 held by the county treasurer to be used exclusively for the
14 development, implementation, and maintenance of an electronic
15 processing and reporting system for real estate excise tax affidavits.
16 Funds may be expended to make the system compatible with the automated
17 real estate excise tax system developed by the department and
18 compatible with the processes used in the offices of the county
19 assessor and county auditor. Any funds held in the account that are
20 not expended by the earlier of: July 1, 2015, or at such time that the
21 county treasurer is utilizing an electronic processing and reporting
22 system for real estate excise tax affidavits compatible with the
23 department and compatible with the processes used in the offices of the
24 county assessor and county assessor, revert to the ((~~county capital~~
25 improvements fund in accordance with RCW 82.46.010)) special real
26 estate and property tax administration assistance account in accordance
27 with subsection (5)(c) of this section.

28 (4) Beginning July 1, 2010, through December 31, 2013, the county
29 treasurer shall continue to collect the additional five-dollar fee in
30 subsection (3) of this section on all transactions required by this
31 chapter, regardless of whether the transaction requires the payment of
32 tax. During this period, the county treasurer shall remit this fee to
33 the state treasurer at the same time the county treasurer remits funds
34 to the state under subsection (1) of this section. The state treasurer
35 shall place money from this fee in the annual property revaluation
36 grant account created in section 3 of this act.

37 (5)(a) The real estate and property tax administration assistance

1 account is created in the custody of the state treasurer. An
2 appropriation is not required for expenditures and the account is not
3 subject to allotment procedures under chapter 43.88 RCW.

4 (b) Beginning January 1, 2014, the county treasurer must continue
5 to collect the additional five-dollar fee in subsection (3) of this
6 section on all transactions required by this chapter, regardless of
7 whether the transaction requires the payment of tax. The county
8 treasurer shall deposit one-half of this fee in the special real estate
9 and property tax administration assistance account in accordance with
10 (c) of this subsection and remit the balance to the state treasurer at
11 the same time the county treasurer remits funds to the state under
12 subsection (1) of this section. The state treasurer must place money
13 from this fee in the real estate and property tax administration
14 assistance account. By the twentieth day of the subsequent month, the
15 state treasurer must distribute the funds to each county treasurer
16 according to the following formula: One-half of the funds available
17 must be equally distributed among the thirty-nine counties; and the
18 balance must be ratably distributed among the counties in direct
19 proportion to their population as it relates to the total state's
20 population based on most recent statistics by the office of financial
21 management.

22 (c) When received by the county treasurer, the funds must be placed
23 in a special real estate and property tax administration assistance
24 account held by the county treasurer to be used for:

25 (i) Maintenance and operation of an annual revaluation system for
26 property tax valuation; and

27 (ii) Maintenance and operation of an electronic processing and
28 reporting system for real estate excise tax affidavits."

EFFECT: Allows money in the county REET technology fund to revert before July 1, 2015, to be used for maintenance and operation of a county annual revaluation system or e-REET processing and reporting system. Modifies the distribution of the \$5 fee, beginning July 1, 2014, by: (1) allowing counties to retain 1/2 of the fee; and (2) changing the state disbursement percentage from 75 percent to 50 percent for equal distribution to the counties of the fee.

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