

FINAL BILL REPORT

SHB 2962

C 200 L 10

Synopsis as Enacted

Brief Description: Allowing county treasurers to use electronic bill presentment and payment that includes an automatic electronic payment option for property taxes.

Sponsors: House Committee on Local Government & Housing (originally sponsored by Representatives Probst and Hunter).

House Committee on Local Government & Housing
Senate Committee on Government Operations & Elections

Background:

General Authority and Duties of County Treasurers.

County treasurers have various duties and authorities relating to the receipt, processing, and disbursement of funds. Treasurers are the custodian of the county's funds and the administrator of the county's financial transactions. In addition to their duties relating to county functions, treasurers provide financial services to special purpose districts and other units of local government. Treasurers are also responsible for the collection and receipt of taxes owed to counties.

County treasurers may accept credit cards, charge cards, debit cards, and other electronic communications for any payment of any kind. With some exceptions, a person paying through electronic communications is required to bear the cost of processing the transaction in an amount determined by the treasurer. The treasurer's cost determination must be based upon costs incurred by the treasurer and may not exceed the additional direct costs incurred by the county to accept the specific form of payment utilized by the payer.

Timing of Real and Personal Property Tax Payments.

If the total amount of tax or special assessments on personal property or on any lot, block or tract of real property is \$50 or more, and if half of the amount due is paid on or before April 30, the remainder of the tax is due and payable on or before October 31.

Summary:

County treasurers are authorized to collect taxes, assessments, fees, rates, and charges by electronic bill presentment and payment. "Electronic bill presentment and payment" is

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defined to mean statements, invoices, or bills that are created, delivered, and paid using the Internet. Electronic bill presentment and payment includes an automatic electronic payment from a person's checking account, debit account, or credit card.

Taxpayers may opt to use electronic bill presentment and payment, but treasurers may not compel the use of the electronic billing and payment system. Prior to the sending of an electronic bill, the taxpayer and treasurer must sign an agreement that may include provisions for a prepayment collection charge. Electronic bill presentment and payment may be on a monthly or other periodic basis as the treasurer deems proper for prepayments, and all prepayments must be paid in full by the applicable April 30 or October 31 due date.

The treasurer must pay any collection costs, investment earnings, or both on prepayments to the credit of a county treasurer service fund account that must be created and used only for the payment of expenses incurred by the treasurer, without limitation, in administering the system for collecting prepayments.

Votes on Final Passage:

House	76	22
Senate	35	12

Effective: June 10, 2010