SENATE BILL REPORT SHB 2962

As of February 19, 2010

Title: An act relating to allowing county treasurers to use electronic bill presentment and payment that includes an automatic electronic payment option for property taxes.

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).

Brief History: Passed House: 2/15/10, 76-22.

Committee Activity: Government Operations & Elections: 2/22/10.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Staff: Alison Mendiola (786-7483)

Background: A county treasurer is 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.

<u>Property Tax.</u> When the total amount of tax or special assessments on personal property is more than \$50 and if one-half of the tax is paid on or before April 30, the remainder of the tax is due on or before October 31.

Method of Payment. County treasurers are authorized to accept credit cards, charge cards, debit cards, smart cards, stored value cards, federal wire, and automatic clearinghouse system transactions, or other electronic communication, for any payment of any kind. A payer bears 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.

Summary of Bill: A county treasurer may bill and accept payments for property taxes electronically. Electronic bill payment is optional for the taxpayer and cannot be required by the county treasurer.

Senate Bill Report - 1 - SHB 2962

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Electronic bill payment and presentment may be monthly or on another periodic basis. All prepayments must be paid in full according to the current due dates of April 30 and October 31, accordingly.

If a taxpayer wants to pay electronically, the treasurer must provide a payment agreement electronically that may include prepayment collection charges. The payment agreement must be signed by the taxpayer and treasurer prior to the treasurer sending an electronic bill.

Any collection costs and investment earnings on prepayments may only be used for the payment of expenses incurred by the treasurer in administering the system for collecting payments.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Senate Bill Report - 2 - SHB 2962