H-0015.2				

HOUSE BILL 1343

State of Washington 61st Legislature 2009 Regular Session

By Representatives Hudgins and Moeller

Read first time 01/19/09. Referred to Committee on Local Government & Housing.

- AN ACT Relating to property tax limitations for port districts;
- 2 amending RCW 84.55.092; and creating new sections.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 NEW SECTION. Sec. 1. The legislature finds it important that 5 taxpayers be protected from large, unanticipated tax increases by port districts. The legislature also finds that port districts should be 6 encouraged to implement better long-term fiscal planning and more prudent money management so as to avoid such large increases in tax 8 9 levies. The legislature has determined, therefore, that it is good 10 public policy to impose reasonable constraints on the authority of 11 large port districts to impose unduly burdensome tax increases.
- 12 **Sec. 2.** RCW 84.55.092 and 1998 c 16 s 3 are each amended to read 13 as follows:
- The regular property tax levy for each taxing district, other than the state <u>or a port district with an assessed value of over one hundred</u> billion dollars, may be set at the amount which would be allowed otherwise under this chapter if the regular property tax levy for the district for taxes due in prior years beginning with 1986 had been set

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at the full amount allowed under this chapter including any levy authorized under RCW 52.16.160 that would have been imposed but for the limitation in RCW 52.18.065, applicable upon imposition of the benefit charge under chapter 52.18 RCW.

The purpose of this section is to remove the incentive for a taxing district to maintain its tax levy at the maximum level permitted under this chapter, and to protect the future levy capacity of a taxing district that reduces its tax levy below the level that it otherwise could impose under this chapter, by removing the adverse consequences to future levy capacities resulting from such levy reductions.

11 <u>NEW SECTION.</u> **Sec. 3.** This act applies to taxes levied for collection in 2010 and thereafter.

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