

# SENATE BILL REPORT

## SB 5005

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As of February 6, 1995

**Title:** An act relating to interest on property tax refunds.

**Brief Description:** Providing property tax refund interest from the date of collection.

**Sponsors:** Senators Sheldon, Snyder, Wojahn, Haugen, Winsley and Kohl.

**Brief History:**

**Committee Activity:** Ways & Means: 2/1/95.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Terry Wilson (786-7715)

**Background:** Taxpayers are entitled to interest on refunds of property taxes. Interest accrues from the date of payment of the tax in all cases in which the taxpayer institutes an action for a refund in state or federal court and in small claims petitions to the county assessor. Interest on administrative refunds made by petition to the county treasurer accrues from the date of payment or the date of claim, whichever is later. If the county treasurer rejects the claim, or takes no action within six months, and the taxpayer institutes a court action for the refund, interest accrues from the date of payment. In addition, the county treasurer may refund without interest, within 60 days of payment, taxes paid more than once or paid in excess of the amount due.

**Summary of Bill:** Interest on administrative refunds made by petition to the county treasurer accrues from the date of payment.

The bill applies to claims made after January 1, 1996.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** A refund cannot be made until a valuation appeal has concluded, and appeals take a long time. This bill levels the playing field. It is a fairness issue.

**Testimony Against:** None.

**Testified:** Senator Sheldon, prime sponsor (pro); Gordon Moss, citizen (pro); Mike Murphy, Thurston County Treasurer; Fred Saeger, WACO.