

# SENATE BILL REPORT

## SB 5069

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As Reported By Senate Committee On:  
Government Operations, February 22, 1995

**Title:** An act relating to property tax billings.

**Brief Description:** Creating a temporary program for property tax payments.

**Sponsors:** Senators Haugen, Winsley and Sheldon.

**Brief History:**

**Committee Activity:** Government Operations: 1/26/95, 2/22/95 [DPS, DNP].

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### SENATE COMMITTEE ON GOVERNMENT OPERATIONS

**Majority Report:** That Substitute Senate Bill No. 5069 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Sheldon, Vice Chair; Drew, Hale, McCaslin and Winsley.

**Minority Report:** Do not pass.

Signed by Senator Heavey.

**Staff:** Diane Smith (786-7410)

**Background:** Property taxes on real and personal property and on real property previously exempt from taxation are due and payable on April 30. A provision is made to split any tax payment that exceeds \$30 into two parts, with the first half being due by April 30 and the second half being due by the following October 31.

Some citizens find this payment system to be a hardship. Payment on a monthly basis would tend to alleviate this burden.

**Summary of Substitute Bill:** The county treasurer may provide for the payment of property taxes exceeding \$200 over an eight-month period. The treasurer may charge up to a \$4 per tax account per year service fee.

If provided by the county, the taxpayer has the option of choosing the extended payment plan. Full payment of taxes, interest, penalties and costs by credit or debit card is authorized. Any processing costs incident to a credit or debit card payment are borne by the individual taxpayer.

The \$30 threshold is changed to \$50, allowing only property tax of \$50 or more to be divided into two payments.

**Substitute Bill Compared to Original Bill:** The substitute bill eliminates the trial nature of the extended payment plan. The number of months over which payments may be made is reduced from ten to eight. Only taxes exceeding \$200 qualify for the extended payment plan.

Only taxes exceeding \$50 may be paid by the current two-payment plan.

Personal property taxes, other than those for mobile homes, are not eligible for the extended payment plan.

**Appropriation:** None.

**Fiscal Note:** Requested on January 17, 1995.

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

**Testimony For:** Extended monthly payments smooths out the revenue stream for the county. It gives citizens help in budgeting their payments. It is an innovative, optional system with minimal cost to the county for its administration.

**Testimony Against:** This is a costly, complicated system. People who own property in more than one county will be confused.

**Testified:** Michael Ryan, Kitsap County Treasurer (pro); Mary E. Dodge, Douglas County Treasurer; Ron Strabbing, Grays Harbor County Treasurer (con); Mike Murphy, Thurston County Treasurer (con).