

2 SSB 5286 - S AMD - 132

3 By Senators McAuliffe, Loveland, Snyder, Spanel, Franklin,
4 Sheldon, Fraser, Prentice, Swanson and Wojahn

5 NOT ADOPTED 3/13/97

6 Strike everything after the enacting clause and insert the
7 following:

8 "Sec. 1. RCW 84.40.030 and 1994 c 124 s 20 are each amended to
9 read as follows:

10 All property shall be valued at one hundred percent of its true and
11 fair value in money and assessed on the same basis unless specifically
12 provided otherwise by law.

13 Taxable leasehold estates shall be valued at such price as they
14 would bring at a fair, voluntary sale for cash without any deductions
15 for any indebtedness owed including rentals to be paid.

16 The true and fair value of real property for taxation purposes
17 (including property upon which there is a coal or other mine, or stone
18 or other quarry) shall be based upon the following criteria:

19 (1) Any sales of the property being appraised or similar properties
20 with respect to sales made within the past five years. The appraisal
21 shall be consistent with the comprehensive land use plan, development
22 regulations under chapter 36.70A RCW, zoning, and any other
23 governmental policies or practices in effect at the time of appraisal
24 that affect the use of property, as well as physical and environmental
25 influences. The appraisal shall also take into account: (a) In the
26 use of sales by real estate contract as similar sales, the extent, if
27 any, to which the stated selling price has been increased by reason of
28 the down payment, interest rate, or other financing terms; and (b) the
29 extent to which the sale of a similar property actually represents the
30 general effective market demand for property of such type, in the
31 geographical area in which such property is located. Sales involving
32 deed releases or similar seller-developer financing arrangements shall
33 not be used as sales of similar property.

34 (2) In addition to sales as defined in subsection (1),
35 consideration may be given to cost, cost less depreciation,
36 reconstruction cost less depreciation, or capitalization of income that

1 would be derived from prudent use of the property. In the case of
2 property of a complex nature, or being used under terms of a franchise
3 from a public agency, or operating as a public utility, or property not
4 having a record of sale within five years and not having a significant
5 number of sales of similar property in the general area, the provisions
6 of this subsection (2) shall be the dominant factors in valuation.
7 When provisions of this subsection (2) are relied upon for establishing
8 values the property owner shall be advised upon request of the factors
9 used in arriving at such value.

10 (3) In valuing any tract or parcel of real property, the value of
11 the land, exclusive of structures thereon shall be determined; also the
12 value of structures thereon, but the valuation shall not exceed the
13 value of the total property as it exists. In valuing agricultural
14 land, growing crops shall be excluded.

15 (4) In valuing property, intangible personal property shall not be
16 valued separately.

17 **Sec. 2.** RCW 84.40.040 and 1988 c 222 s 15 are each amended to read
18 as follows:

19 The assessor shall begin the preliminary work for each assessment
20 not later than the first day of December of each year in all counties
21 in the state. The assessor shall also complete the duties of listing
22 and placing valuations on all property by May 31st of each year,
23 (~~except that the listing and valuation of construction under RCW~~
24 ~~36.21.040 through 36.21.080 shall be completed by August 31st of each~~
25 ~~year,~~) and in the following manner, to wit:

26 The assessor shall actually determine as nearly as practicable the
27 true and fair value of each tract or lot of land listed for taxation
28 and of each improvement located thereon and shall enter one hundred
29 percent of the value of such land and of the total value of such
30 improvements, together with the total of such one hundred percent
31 valuations, opposite each description of property on the assessment
32 list and tax roll.

33 The assessor shall make an alphabetical list of the names of all
34 persons in the county liable to assessment of personal property, and
35 require each person to make a correct list and statement of such
36 property according to the standard form prescribed by the department of
37 revenue, which statement and list shall include, if required by the
38 form, the year of acquisition and total original cost of personal

1 property in each category of the prescribed form, and shall be signed
2 and verified under penalty of perjury by the person listing the
3 property: PROVIDED, That the assessor may list and value improvements
4 on publicly owned land in the same manner as real property is listed
5 and valued, including conformance with the revaluation program required
6 under chapter 84.41 RCW. Such list and statement shall be filed on or
7 before the last day of April. The assessor shall on or before the 1st
8 day of January of each year mail a notice to all such persons at their
9 last known address that such statement and list is required, such
10 notice to be accompanied by the form on which the statement or list is
11 to be made: PROVIDED, That the notice mailed by the assessor to each
12 taxpayer each year shall, if practicable, include the statement and
13 list of personal property of the taxpayer for the preceding year. Upon
14 receipt of such statement and list the assessor shall thereupon
15 determine the true and fair value of the property included in such
16 statement and enter one hundred percent of the same on the assessment
17 roll opposite the name of the party assessed; and in making such entry
18 in the assessment list, the assessor shall give the name and post
19 office address of the party listing the property, and if the party
20 resides in a city the assessor shall give the street and number or
21 other brief description of the party's residence or place of business.
22 The assessor may, after giving written notice of the action to the
23 person to be assessed, add to the assessment list any taxable property
24 which should be included in such list.

25 Notwithstanding the other provisions of this section, the assessor
26 shall not require a taxpayer to report intangible personal property."

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31 On page 1, line 1 of the title, after "property;" strike the
32 remainder of the title and insert "and amending RCW 84.40.030 and
33 84.40.040."

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