

# HOUSE BILL REPORT

## HB 1003

---

---

### As Reported By House Committee On:

Finance

**Title:** An act relating to deferral of property taxes by senior citizens and disabled persons.

**Brief Description:** Redefining "special assessment" for the purposes of tax deferrals for senior citizens and disabled persons.

**Sponsors:** Representatives Pennington, Hatfield, Mielke, Thompson, Cole, DeBolt, D. Sommers, Conway, Boldt, Alexander, Schoesler, Kessler, Bush, Smith, Dyer and O'Brien.

**Brief History:**

**Committee Activity:**

Finance: 1/16/97 [DPS].

---

### HOUSE COMMITTEE ON FINANCE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives B. Thomas, Chairman; Carrell, Vice Chairman; Mulliken, Ranking Minority Member; Dunshee, Ranking Minority Member; Dickerson, Assistant Ranking Minority Member; Boldt; Butler; Conway; Kastama; Mason; Morris; Pennington; Schoesler; Thompson and Van Luven.

**Staff:** Linda Brooks (786-7153).

**Background:** Senior citizens or disabled persons with household incomes below \$34,000 may defer property taxes and/or special assessments on their homes. Cities, towns, counties, or other municipal corporations may impose special assessments for a variety of purposes such as road or sewer improvements. Special assessments are charges or obligations imposed upon property specially benefitted by a local improvement.

Under current administrative practice, special assessments associated with physical improvements may be deferred, but special assessments imposed for less tangible benefits, such as weed or mosquito control, may not be deferred.

**Summary of Substitute Bill:** Redefines special assessments as charges or obligations imposed on property specially benefitted. Any special assessment may be deferred.

**Substitute Bill Compared to Original Bill:** Deletes language linking special assessments to local improvements. A special assessment is simply defined as any charge or obligation imposed by local government on property specially benefitted.

**Appropriation:** None.

**Fiscal Note:** Available. New fiscal note requested on January 17, 1997.

**Effective Date of Substitute Bill:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** Senior citizens and disabled persons participating in the property tax deferral program should be able to defer all special assessments against their properties. Presently, some senior citizens might have a small special assessment on their property that does not qualify for the deferral program. Counties should not be put in the position of having to foreclose a property just because there is a small, outstanding assessment against the property that was not deferrable. All special assessments should be deferrable. An emergency clause is needed so that seniors, eligible for the deferral program, do not have to pay any special assessments in 1997.

**Testimony Against:** None.

**Testified:** Fred Saeger, Washington Association of County Officials; Rose Bowman, Lewis County Treasurer.