
SENATE BILL 5315

State of Washington

55th Legislature

1997 Regular Session

By Senators Anderson, Snyder, Loveland, Swecker, Wojahn, Morton, Oke and Rasmussen

Read first time 01/23/97. Referred to Committee on Natural Resources & Parks.

1 AN ACT Relating to taxation of property improvements used for fish
2 and wildlife habitat restoration and protection and water quantity and
3 quality improvement programs; amending RCW 84.40.030; adding a new
4 section to chapter 84.36 RCW; and creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The purpose of this act is to improve fish
7 and wildlife habitat and to improve water quality for the benefit of
8 the public at large. Private property owners would be encouraged to
9 make improvements to their property recommended by governmental
10 agencies without the penalty of paying higher property taxes as a
11 result of those improvements.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 84.36 RCW
13 to read as follows:

14 All real and personal property improvements used for fish and
15 wildlife habitat restoration and protection, and water quantity and
16 quality improvement programs, under a local conservation district's
17 best management practices plan are exempt from taxation.

1 **Sec. 3.** RCW 84.40.030 and 1994 c 124 s 20 are each amended to read
2 as follows:

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

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

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

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

27 (2) In addition to sales as defined in subsection (1),
28 consideration may be given to cost, cost less depreciation,
29 reconstruction cost less depreciation, or capitalization of income that
30 would be derived from prudent use of the property. In the case of
31 property of a complex nature, or being used under terms of a franchise
32 from a public agency, or operating as a public utility, or property not
33 having a record of sale within five years and not having a significant
34 number of sales of similar property in the general area, the provisions
35 of this subsection (2) shall be the dominant factors in valuation.
36 When provisions of this subsection (2) are relied upon for establishing
37 values the property owner shall be advised upon request of the factors
38 used in arriving at such value.

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

6 (4) Property that is exempt from taxation under section 2 of this
7 act shall be excluded from valuation.

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