CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1277

Chapter 239, Laws of 1997

55th Legislature
1997 Regular Session

CONFIDENTIALITY OF PROPERTY TAX INFORMATION

EFFECTIVE DATE: 7/27/97

Passed by the House April 19, 1997
Yeas 89  Nays 0

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Passed by the Senate April 17, 1997
Yeas 45  Nays 0

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I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is SUBSTITUTE HOUSE BILL 1277 as passed by the House of Representatives and the Senate on the dates hereon set forth.

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IRV NEWHOUSE  TIMOTHY A. MARTIN
President of the Senate  Chief Clerk

Approved May 1, 1997

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GARY LOCKE  Secretary of State
Governor of the State of Washington

FILED

May 1, 1997 - 11:13 a.m.
AN ACT Relating to confidentiality of property tax information; amending RCW 84.40.020, 84.40.340, and 42.17.310; adding a new section to chapter 84.08 RCW; and prescribing penalties.

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

NEW SECTION. Sec. 1. A new section is added to chapter 84.08 RCW to read as follows:

(1) For purposes of this section, "tax information" means confidential income data and proprietary business information obtained by the department in the course of carrying out the duties now or hereafter imposed upon it in this title that has been communicated in confidence in connection with the assessment of property and that has not been publicly disseminated by the taxpayer, the disclosure of which would be either highly offensive to a reasonable person and not a legitimate concern to the public or would result in an unfair competitive disadvantage to the taxpayer.

(2) Tax information is confidential and privileged, and except as authorized by this section, neither the department nor any other person may disclose tax information.
(3) Subsection (2) of this section, however, does not prohibit the department from:

(a) Disclosing tax information to any county assessor or county treasurer;
(b) Disclosing tax information in a civil or criminal judicial proceeding or an administrative proceeding in respect to taxes or penalties imposed under this title or Title 82 RCW or in respect to assessment or valuation for tax purposes of the property to which the information or facts relate;
(c) Disclosing tax information with the written permission of the taxpayer;
(d) Disclosing tax information to the proper officer of the tax department of any state responsible for the imposition or collection of property taxes, or for the valuation of property for tax purposes, if the other state grants substantially similar privileges to the proper officers of this state;
(e) Disclosing tax information that is also maintained by another Washington state or local governmental agency as a public record available for inspection and copying under chapter 42.17 RCW or is a document maintained by a court of record not otherwise prohibited from disclosure;
(f) Disclosing tax information to a peace officer as defined in RCW 9A.04.110 or county prosecutor, for official purposes. The disclosure may be made only in response to a search warrant, subpoena, or other court order, unless the disclosure is for the purpose of criminal tax enforcement. A peace officer or county prosecutor who receives the tax information may disclose the tax information only for use in the investigation and a related court proceeding, or in the court proceeding for which the tax information originally was sought; or
(g) Disclosing information otherwise available under chapter 42.17 RCW.

(4) A violation of this section constitutes a gross misdemeanor.

Sec. 2. RCW 84.40.020 and 1973 c 69 s 1 are each amended to read as follows:
All real property in this state subject to taxation shall be listed and assessed every year, with reference to its value on the first day of January of the year in which it is assessed. Such listing and all supporting documents and records shall be open to public inspection
during the regular office hours of the assessor’s office: PROVIDED, That confidential income data is hereby exempted from public inspection (pursuant to RCW 42.17.310) as noted in RCW 42.17.260 and 42.17.310. All personal property in this state subject to taxation shall be listed and assessed every year, with reference to its value and ownership on the first day of January of the year in which it is assessed: PROVIDED, That if the stock of goods, wares, merchandise or material, whether in a raw or finished state or in process of manufacture, owned or held by any taxpayer on January 1 of any year does not fairly represent the average stock carried by such taxpayer, such stock shall be listed and assessed upon the basis of the monthly average of stock owned or held by such taxpayer during the preceding calendar year or during such portion thereof as the taxpayer was engaged in business.

Sec. 3. RCW 84.40.340 and 1973 1st ex.s. c 74 s 1 are each amended to read as follows:

For the purpose of verifying any list, statement, or schedule required to be furnished to the assessor by any taxpayer, any assessor or his trained and qualified deputy at any reasonable time may visit, investigate and examine any personal property, and for this purpose the records, accounts and inventories also shall be subject to any such visitation, investigation and examination which shall aid in determining the amount and valuation of such property. Such powers and duties may be performed at any office of the taxpayer in this state, and the taxpayer shall furnish or make available all such information pertaining to property in this state to the assessor although the records may be maintained at any office outside this state.

Any information or facts obtained pursuant to this section shall be used by the assessor only for the purpose of determining the assessed valuation of the taxpayer’s property: PROVIDED, That such information or facts shall also be made available to the department of revenue upon request for the purpose of determining any sales or use tax liability with respect to personal property, and except in a (court action pertaining) civil or criminal judicial proceeding or an administrative proceeding in respect to penalties imposed pursuant to RCW 84.40.130, to such sales or use taxes, or to the assessment or valuation for tax purposes of the property to which such information and facts relate, shall not be disclosed by the assessor or the department of revenue without the permission of the taxpayer to any person other than public
officers or employees whose duties relate to valuation of property for
tax purposes or to the imposition and collection of sales and use
taxes, and any violation of this secrecy provision shall constitute a
gross misdemeanor.

Sec. 4. RCW 42.17.310 and 1996 c 305 s 2 are each amended to read
as follows:

(1) The following are exempt from public inspection and copying:
(a) Personal information in any files maintained for students in
public schools, patients or clients of public institutions or public
health agencies, or welfare recipients.
(b) Personal information in files maintained for employees,
appointees, or elected officials of any public agency to the extent
that disclosure would violate their right to privacy.
(c) Information required of any taxpayer in connection with the
assessment or collection of any tax if the disclosure of the
information to other persons would (i) be prohibited to such persons by
section 1 of this act, RCW 82.32.330, 84.40.020, or 84.40.340 or (ii)
violate the taxpayer’s right to privacy or result in unfair competitive
disadvantage to the taxpayer.
(d) Specific intelligence information and specific investigative
records compiled by investigative, law enforcement, and penology
agencies, and state agencies vested with the responsibility to
discipline members of any profession, the nondisclosure of which is
essential to effective law enforcement or for the protection of any
person’s right to privacy.
(e) Information revealing the identity of persons who are witnesses
to or victims of crime or who file complaints with investigative, law
enforcement, or penology agencies, other than the public disclosure
commission, if disclosure would endanger any person’s life, physical
safety, or property. If at the time a complaint is filed the
complainant, victim or witness indicates a desire for disclosure or
nondisclosure, such desire shall govern. However, all complaints filed
with the public disclosure commission about any elected official or
candidate for public office must be made in writing and signed by the
complainant under oath.
(f) Test questions, scoring keys, and other examination data used
to administer a license, employment, or academic examination.
(g) Except as provided by chapter 8.26 RCW, the contents of real
estate appraisals, made for or by any agency relative to the
acquisition or sale of property, until the project or prospective sale
is abandoned or until such time as all of the property has been
acquired or the property to which the sale appraisal relates is sold,
but in no event shall disclosure be denied for more than three years
after the appraisal.

(h) Valuable formulae, designs, drawings, and research data
obtained by any agency within five years of the request for disclosure
when disclosure would produce private gain and public loss.

(i) Preliminary drafts, notes, recommendations, and intra-agency
memorandums in which opinions are expressed or policies formulated or
recommended except that a specific record shall not be exempt when
publicly cited by an agency in connection with any agency action.

(j) Records which are relevant to a controversy to which an agency
is a party but which records would not be available to another party
under the rules of pretrial discovery for causes pending in the
superior courts.

(k) Records, maps, or other information identifying the location of
archaeological sites in order to avoid the looting or depredation of
such sites.

(l) Any library record, the primary purpose of which is to maintain
control of library materials, or to gain access to information, which
discloses or could be used to disclose the identity of a library user.

(m) Financial information supplied by or on behalf of a person,
firm, or corporation for the purpose of qualifying to submit a bid or
proposal for (i) a ferry system construction or repair contract as
required by RCW 47.60.680 through 47.60.750 or (ii) highway
construction or improvement as required by RCW 47.28.070.

(n) Railroad company contracts filed prior to July 28, 1991, with
the utilities and transportation commission under RCW 81.34.070, except
that the summaries of the contracts are open to public inspection and
copying as otherwise provided by this chapter.

(o) Financial and commercial information and records supplied by
private persons pertaining to export services provided pursuant to
chapter 43.163 RCW and chapter 53.31 RCW, and by persons pertaining to
export projects pursuant to RCW 43.23.035.

(p) Financial disclosures filed by private vocational schools under
chapters 28B.85 and 28C.10 RCW.
Records filed with the utilities and transportation commission or attorney general under RCW 80.04.095 that a court has determined are confidential under RCW 80.04.095.

Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency.

Membership lists or lists of members or owners of interests of units in timeshare projects, subdivisions, camping resorts, condominiums, land developments, or common-interest communities affiliated with such projects, regulated by the department of licensing, in the files or possession of the department.

All applications for public employment, including the names of applicants, resumes, and other related materials submitted with respect to an applicant.

The residential addresses and residential telephone numbers of employees or volunteers of a public agency which are held by the agency in personnel records, employment or volunteer rosters, or mailing lists of employees or volunteers.

The residential addresses and residential telephone numbers of the customers of a public utility contained in the records or lists held by the public utility of which they are customers.

The federal social security number of individuals governed under chapter 18.130 RCW maintained in the files of the department of health, except this exemption does not apply to requests made directly to the department from federal, state, and local agencies of government, and national and state licensing, credentialing, investigatory, disciplinary, and examination organizations; (ii) the current residential address and current residential telephone number of a health care provider governed under chapter 18.130 RCW maintained in the files of the department, if the provider requests that this information be withheld from public inspection and copying, and provides to the department an accurate alternate or business address and business telephone number. On or after January 1, 1995, the current residential address and residential telephone number of a health care provider governed under RCW 18.130.140 maintained in the files of the department shall automatically be withheld from public inspection and copying unless the provider specifically requests the
information be released, and except as provided for under RCW 42.17.260(9).

(x) Information obtained by the board of pharmacy as provided in RCW 69.45.090.

(y) Information obtained by the board of pharmacy or the department of health and its representatives as provided in RCW 69.41.044, 69.41.280, and 18.64.420.

(z) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW.

(aa) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information.

(bb) Financial and valuable trade information under RCW 51.36.120.

(cc) Client records maintained by an agency that is a domestic violence program as defined in RCW 70.123.020 or 70.123.075 or a rape crisis center as defined in RCW 70.125.030.

(dd) Information that identifies a person who, while an agency employee: (i) Seeks advice, under an informal process established by the employing agency, in order to ascertain his or her rights in connection with a possible unfair practice under chapter 49.60 RCW against the person; and (ii) requests his or her identity or any identifying information not be disclosed.

(ee) Investigative records compiled by an employing agency conducting a current investigation of a possible unfair practice under chapter 49.60 RCW or of a possible violation of other federal, state, or local laws prohibiting discrimination in employment.

(ff) Business related information protected from public inspection and copying under RCW 15.86.110.

(gg) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the clean Washington center in applications for, or delivery of, program services under chapter 70.95H RCW.

(hh) Information and documents created specifically for, and collected and maintained by a quality improvement committee pursuant to
RCW 43.70.510, regardless of which agency is in possession of the information and documents.

(ii) Personal information in files maintained in a data base created under RCW 43.07.360.

(jj) Names of individuals residing in emergency or transitional housing that are furnished to the department of revenue or a county assessor in order to substantiate a claim for property tax exemption under RCW 84.36.043.

(2) Except for information described in subsection (1)(c)(i) of this section and confidential income data exempted from public inspection pursuant to RCW 84.40.020, the exemptions of this section are inapplicable to the extent that information, the disclosure of which would violate personal privacy or vital governmental interests, can be deleted from the specific records sought. No exemption may be construed to permit the nondisclosure of statistical information not descriptive of any readily identifiable person or persons.

(3) Inspection or copying of any specific records exempt under the provisions of this section may be permitted if the superior court in the county in which the record is maintained finds, after a hearing with notice thereof to every person in interest and the agency, that the exemption of such records is clearly unnecessary to protect any individual’s right of privacy or any vital governmental function.

(4) Agency responses refusing, in whole or in part, inspection of any public record shall include a statement of the specific exemption authorizing the withholding of the record (or part) and a brief explanation of how the exemption applies to the record withheld.

Passed the House April 19, 1997.
Passed the Senate April 17, 1997.
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