CERTIFICATION OF ENROLLMENT

HOUSE BILL 1549

Chapter 306, Laws of 1998

55th Legislature
1998 Regular Session

PROPERTY TAX ASSESSMENT REDUCTION ON PROPERTY UNDER GOVERNMENT RESTRICTIONS

EFFECTIVE DATE: 6/11/98

Passed by the House January 21, 1998
Yeas 98  Nays 0

CLYDE BALLARD
Speaker of the House of Representatives

Passed by the Senate March 11, 1998
Yeas 46  Nays 0

BRAD OWEN
President of the Senate

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is HOUSE BILL 1549 as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN
Chief Clerk

Approved April 3, 1998

FILED

April 3, 1998 - 2:07 p.m.

GARY LOCKE
Governor of the State of Washington
AN ACT Relating to reducing property tax assessments in response to government restrictions; amending RCW 84.69.020; and adding a new section to chapter 84.40 RCW.

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

NEW SECTION. Sec. 1. A new section is added to chapter 84.40 RCW to read as follows:

(1) The owner or person responsible for payment of taxes on any real property may petition the assessor for a reduction in the assessed value of the real property at any time within three years of adoption of a restriction by a government entity.

(2) Notwithstanding the revaluation cycle for the county, the assessor shall reconsider the valuation of the real property within one hundred twenty days of the filing of a petition under subsection (1) of this section. If the new valuation is established for the real property after this review, the assessor shall notify the property owner in the manner provided in RCW 84.40.045. Unless the real property would otherwise be revalued that year as a result of the revaluation cycle or new construction, the valuation of the real property shall not be increased as a result of this revaluation. If
the new valuation is established after June 1st in any year, the new
valuation shall be used for purposes of imposing property taxes in the
following year, but the property owner shall be eligible for a refund
under RCW 84.69.020.

(3) A new valuation established under this section may be appealed
under RCW 84.40.038.

(4) If the assessor reduces the valuation of real property using
the process under this section, the property owner shall be entitled to
a refund on property taxes paid on this property calculated as follows:

(a) A property owner is entitled to receive a refund for each year
after the restriction was adopted, but not to exceed three years, that
the taxpayer paid property taxes on the real property based upon the
prior higher valuation; and

(b) The amount of the refund in each year shall be the amount of
reduced valuation on the real property for that year, multiplied by the
rate of property taxes imposed on the property in that year.

(5) As used in this section, "restriction" means a limitation, requirement,
regulation, or restriction that limits the use of the property, including those imposed by the application of ordinances,
resolutions, rules, regulations, policies, statutes, and conditions of
land use approval.

Sec. 2. RCW 84.69.020 and 1996 c 296 s 2 are each amended to read
as follows:

On the order of the county treasurer, ad valorem taxes paid before
or after delinquency shall be refunded if they were:

(1) Paid more than once; ((E))

(2) Paid as a result of manifest error in description; ((E))

(3) Paid as a result of a clerical error in extending the tax
rolls; ((E))

(4) Paid as a result of other clerical errors in listing property;
((E))

(5) Paid with respect to improvements which did not exist on
assessment date; ((E))

(6) Paid under levies or statutes adjudicated to be illegal or
unconstitutional; ((E))

(7) Paid as a result of mistake, inadvertence, or lack of knowledge
by any person exempted from paying real property taxes or a portion
thereof pursuant to RCW 84.36.381 through 84.36.389, as now or
hereafter amended; ((or))

(8) Paid as a result of mistake, inadvertence, or lack of knowledge
by either a public official or employee or by any person with respect

(9) Paid on the basis of an assessed valuation which was appealed
to the county board of equalization and ordered reduced by the board;
((or))

(10) Paid on the basis of an assessed valuation which was appealed
to the state board of tax appeals and ordered reduced by the board:
PROVIDED, That the amount refunded under subsections (9) and (10) of
this section shall only be for the difference between the tax paid on
the basis of the appealed valuation and the tax payable on the
valuation adjusted in accordance with the board’s order; ((or))

(11) Paid as a state property tax levied upon property, the
assessed value of which has been established by the state board of tax
appeals for the year of such levy: PROVIDED, HOWEVER, That the amount
refunded shall only be for the difference between the state property
tax paid and the amount of state property tax which would, when added
to all other property taxes within the one percent limitation of
Article VII, section 2 of the state Constitution equal one percent of
the assessed value established by the board;

(12) Paid on the basis of an assessed valuation which was
adjudicated to be unlawful or excessive: PROVIDED, That the amount
refunded shall be for the difference between the amount of tax which
was paid on the basis of the valuation adjudged unlawful or excessive
and the amount of tax payable on the basis of the assessed valuation
determined as a result of the proceeding; ((or))

(13) Paid on property acquired under RCW 84.60.050, and canceled
under RCW 84.60.050(2); ((or))

(14) Paid on the basis of an assessed valuation that was reduced
under RCW 84.48.065; or

(15) Paid on the basis of an assessed valuation that was reduced
under section 1 of this act.

No refunds under the provisions of this section shall be made
because of any error in determining the valuation of property, except
as authorized in subsections (9), (10), (11), and (12) of this section
nor may any refunds be made if a bona fide purchaser has acquired
rights that would preclude the assessment and collection of the refunded tax from the property that should properly have been charged with the tax. Any refunds made on delinquent taxes shall include the proportionate amount of interest and penalties paid. The county treasurer may deduct from moneys collected for the benefit of the state’s levy, refunds of the state levy including interest on the levy as provided by this section and chapter 84.68 RCW.

The county treasurer of each county shall make all refunds determined to be authorized by this section, and by the first Monday in January of each year, report to the county legislative authority a list of all refunds made under this section during the previous year. The list is to include the name of the person receiving the refund, the amount of the refund, and the reason for the refund.

Passed the Senate March 11, 1998.
Approved by the Governor April 3, 1998.
Filed in Office of Secretary of State April 3, 1998.