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HOUSE BILL 2273

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State of Washington                      56th Legislature                      1999 1 Special Session

By Representatives Haigh, Romero, Alexander, Hatfield, DeBolt,  
Eickmeyer, Wolfe, Rockefeller, Lovick, Lantz and Thomas

Read first time 03/16/1999. Referred to Committee on Finance.

1            AN ACT Relating to taxation of destroyed property; amending RCW  
2 84.70.010; reenacting and amending RCW 84.69.020; and declaring an  
3 emergency.

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

5            **Sec. 1.** RCW 84.70.010 and 1997 c 3 s 126 (Referendum Bill No. 47)  
6 are each amended to read as follows:

7            (1) If, on or before December 31 in any calendar year, any real or  
8 personal property placed upon the assessment roll of that year is  
9 destroyed in whole or in part, or is in an area that has been declared  
10 a disaster area by the governor and has been reduced in value by more  
11 than twenty percent as a result of a natural disaster, the assessed  
12 value of such property shall be reduced for that assessment year by an  
13 amount determined (~~as follows:~~

14            ~~(a) First take~~) by taking the assessed value of such taxable  
15 property before destruction or reduction in value and deduct therefrom  
16 the true and fair value of the remaining property after destruction or  
17 reduction in value.

18            ~~((b))~~ (2) Taxes levied for collection in the year in which the  
19 assessed value has been reduced under subsection (1) of this section

1 shall be abated in whole or in part as provided in this subsection.  
2 The amount of taxes to be abated shall be determined by first  
3 multiplying the amount deducted from assessed value under subsection  
4 (1) of this section by the rate of levy applicable to the property in  
5 the tax year. Then divide ((any amount remaining)) the product by the  
6 number of days in the year and multiply the quotient by the number of  
7 days remaining in the calendar year after the date of the destruction  
8 or reduction in value of the property. If taxes abated under this  
9 section have been paid, the amount paid shall be refunded under RCW  
10 84.69.020.

11 ~~((+2))~~ (3) No reduction in the assessed value or abatements shall  
12 be made more than three years after the date of destruction or  
13 reduction in value.

14 ~~((+3))~~ (4) The assessor shall make such reduction on his or her  
15 own motion; however, the taxpayer may make application for reduction on  
16 forms prepared by the department and provided by the assessor. The  
17 assessor shall notify the taxpayer of the amount of reduction.

18 ~~((+4))~~ (5) If destroyed property is replaced prior to the  
19 valuation dates contained in RCW 36.21.080 and 36.21.090, the total  
20 taxable value for that assessment year shall not exceed the value as of  
21 the appropriate valuation date in RCW 36.21.080 or 36.21.090, whichever  
22 is appropriate.

23 (5) The taxpayer may appeal the amount of reduction to the county  
24 board of equalization within thirty days of notification or July 1st of  
25 the year of reduction, whichever is later. The board shall reconvene,  
26 if necessary, to hear the appeal.

27 **Sec. 2.** RCW 84.69.020 and 1998 c 306 s 2 and 1997 c 393 s 18 are  
28 each reenacted and amended to read as follows:

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

31 (1) Paid more than once;

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

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

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

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

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

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

7 (8) Paid as a result of mistake, inadvertence, or lack of knowledge  
8 by either a public official or employee or by any person with respect  
9 to real property in which the person paying the same has no legal  
10 interest;

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

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

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

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

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

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

37 (15) Paid on the basis of an assessed valuation that was reduced  
38 under RCW 84.40.039; or

39 (16) Abated under RCW 84.70.010.

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

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

18 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
19 preservation of the public peace, health, or safety, or support of the  
20 state government and its existing public institutions, and takes effect  
21 immediately.

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