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HOUSE BILL 3167

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State of Washington                      56th Legislature                      2000 1 Special Session

By Representatives Dunshee, Thomas, O'Brien, Pennington, Wood, McDonald, Edmonds, Pflug, Miloscia, B. Chandler, Anderson, Mulliken, Stensen, Esser, Hurst, Alexander, Haigh, Benson, Cody, Koster, Dickerson, Conway, Huff, Cooper, Parlette, Linville, Campbell, Keiser, Constantine, Ericksen, Romero, Talcott, Kastama, Lambert, Ogden, Ruderman, Barlean, Morris, Clements, Fortunato, Carrell, Carlson, Sump, Wensman, Dunn, Van Luven, Gombosky, Scott, Lantz, Edwards, Reardon, Skinner, G. Chandler, Ballasiotes, Radcliff, Grant, Mielke, Regala, Wolfe, Lovick, Voloria, Fisher, Rockefeller, Sullivan, Woods, Lisk, Hankins, D. Schmidt and Kessler

Read first time 03/21/2000. Referred to Committee on Finance.

1            AN ACT Relating to providing a two hundred dollar credit against  
2 state property taxes for persons sixty-four years of age or older  
3 without shifting taxes; amending RCW 84.36.385, 84.36.387, 84.36.389,  
4 and 84.52.080; adding a new section to chapter 84.36 RCW; and creating  
5 a new section.

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

7            NEW SECTION.    **Sec. 1.** A new section is added to chapter 84.36 RCW  
8 to read as follows:

9            A taxpayer shall be allowed a credit against the state levy equal  
10 to the tax imposed on the assessed value of an owner-occupied residence  
11 for the state levy, not to exceed two hundred dollars, if the taxpayer  
12 meets all of the following conditions:

13            (1) The taxpayer is sixty-four years of age or older on December  
14 31st of the year in which the credit claim is filed;

15            (2) The taxpayer is not eligible for an exemption under RCW  
16 84.36.381;

17            (3) The taxpayer meets the residence occupancy requirements of RCW  
18 84.36.381(1); and

1 (4) The taxpayer meets the residence ownership requirements of RCW  
2 84.36.381(2).

3 **Sec. 2.** RCW 84.36.385 and 1992 c 206 s 13 are each amended to read  
4 as follows:

5 (1) A claim for exemption under RCW 84.36.381 (~~(as now or hereafter~~  
6 ~~amended,)~~) or a credit under section 1 of this act shall be made and  
7 filed at any time during the year for exemption or credit from taxes  
8 payable the following year and thereafter and solely upon forms as  
9 prescribed and furnished by the department of revenue. However, an  
10 exemption from tax under RCW 84.36.381 or a credit under section 1 of  
11 this act shall continue for no more than four years unless a renewal  
12 application is filed as provided in subsection (3) of this section.  
13 The county assessor may also require, by written notice, a renewal  
14 application following an amendment of the income requirements set forth  
15 in RCW 84.36.381. Renewal applications shall be on forms prescribed  
16 and furnished by the department of revenue.

17 (2) A person granted an exemption under RCW 84.36.381 or a credit  
18 under section 1 of this act shall inform the county assessor of any  
19 change in status affecting (~~the person's~~) entitlement to the  
20 exemption or credit on forms prescribed and furnished by the department  
21 of revenue.

22 (3) Each person exempt from taxes under RCW 84.36.381 in 1993 and  
23 thereafter, shall file with the county assessor a renewal application  
24 not later than December 31 of the year the assessor notifies such  
25 person of the requirement to file the renewal application.

26 (4) Beginning in 1992 and in each of the three succeeding years,  
27 the county assessor shall notify approximately one-fourth of those  
28 persons exempt from taxes under RCW 84.36.381 in the current year who  
29 have not filed a renewal application within the previous four years, of  
30 the requirement to file a renewal application.

31 (5) If the assessor finds that the applicant does not meet the  
32 qualifications as set forth in RCW 84.36.381(~~(, as now or hereafter~~  
33 ~~amended)~~) or section 1 of this act, the claim or exemption shall be  
34 denied but such denial shall be subject to appeal under the provisions  
35 of RCW 84.48.010(5). If the applicant had received exemption or credit  
36 in prior years based on erroneous information, the taxes shall be  
37 collected subject to penalties as provided in RCW 84.40.130 for a  
38 period of not to exceed three years.

1 (6) The department and each local assessor is hereby directed to  
2 publicize the qualifications and manner of making claims under RCW  
3 84.36.381 through 84.36.389 and section 1 of this act, through  
4 communications media, including such paid advertisements or notices as  
5 it deems appropriate. Notice of the qualifications, method of making  
6 applications, the penalties for not reporting a change in status, and  
7 availability of further information shall be included on or with  
8 property tax statements and revaluation notices for all residential  
9 property including mobile homes, except rental properties.

10 **Sec. 3.** RCW 84.36.387 and 1992 c 206 s 14 are each amended to read  
11 as follows:

12 (1) All claims for exemption under RCW 84.36.381 or a credit under  
13 section 1 of this act shall be made and signed by the person entitled  
14 to the exemption or credit, by his or her attorney in fact or in the  
15 event the residence of such person is under mortgage or purchase  
16 contract requiring accumulation of reserves out of which the holder of  
17 the mortgage or contract is required to pay real estate taxes, by such  
18 holder or by the owner, either before two witnesses or the county  
19 assessor or (~~his~~) the assessor's deputy in the county where the real  
20 property is located: PROVIDED, That if a claim for exemption or credit  
21 is made by a person living in a cooperative housing association,  
22 corporation, or partnership, such claim shall be made and signed by the  
23 person entitled to the exemption or credit and by the authorized agent  
24 of such cooperative.

25 (2) If the taxpayer is unable to submit his or her own claim, the  
26 claim shall be submitted by a duly authorized agent or by a guardian or  
27 other person charged with the care of the person or property of such  
28 taxpayer.

29 (3) All claims for exemption and renewal applications under RCW  
30 84.36.381 shall be accompanied by such documented verification of  
31 income as shall be prescribed by rule adopted by the department of  
32 revenue.

33 (4) Any person signing a false claim with the intent to defraud or  
34 evade the payment of any tax shall be guilty of the offense of perjury.

35 (5) The tax liability of a cooperative housing association,  
36 corporation, or partnership shall be reduced by the amount of tax  
37 exemption or credit to which a claimant residing therein is entitled  
38 and such cooperative shall reduce any amount owed by the claimant to

1 the cooperative by such exact amount of tax exemption or credit or, if  
2 no amount be owed, the cooperative shall make payment to the claimant  
3 of such exact amount of exemption or credit.

4 (6) A remainderman or other person who would have otherwise paid  
5 the tax on real property that is the subject of an exemption granted  
6 under RCW 84.36.381 or a credit granted under section 1 of this act for  
7 an estate for life shall reduce the amount which would have been  
8 payable by the life tenant to the remainderman or other person to the  
9 extent of the exemption or credit. If no amount is owed or separately  
10 stated as an obligation between these persons, the remainderman or  
11 other person shall make payment to the life tenant in the exact amount  
12 of the exemption or credit.

13 **Sec. 4.** RCW 84.36.389 and 1979 ex.s. c 214 s 4 are each amended to  
14 read as follows:

15 (1) The director of the department of revenue shall adopt such  
16 rules (~~and regulations~~) and prescribe such forms as may be necessary  
17 and appropriate for implementation and administration of this chapter  
18 subject to chapter 34.05 RCW, the administrative procedure act.

19 (2) The department may conduct such audits of the administration of  
20 RCW 84.36.381 through 84.36.389 and section 1 of this act and the  
21 claims for exemption or credit filed thereunder as it considers  
22 necessary. The powers of the department under chapter 84.08 RCW apply  
23 to these audits.

24 (3) Any information or facts concerning confidential income data  
25 obtained by the assessor or the department, or their agents or  
26 employees, under subsection (2) of this section shall be used only to  
27 administer RCW 84.36.381 through 84.36.389. Notwithstanding any  
28 provision of law to the contrary, absent written consent by the person  
29 about whom the information or facts have been obtained, the  
30 confidential income data shall not be disclosed by the assessor or the  
31 assessor's agents or employees to anyone other than the department or  
32 the department's agents or employees nor by the department or the  
33 department's agents or employees to anyone other than the assessor or  
34 the assessor's agents or employees except in a judicial proceeding  
35 pertaining to the taxpayer's entitlement to the tax exemption under RCW  
36 84.36.381 through 84.36.389. Any violation of this subsection is a  
37 misdemeanor.

1       **Sec. 5.** RCW 84.52.080 and 1989 c 378 s 16 are each amended to read  
2 as follows:

3       (1) The ((county)) assessor shall extend the taxes upon the tax  
4 rolls in the form herein prescribed. The rate percent necessary to  
5 raise the amounts of taxes levied for state and county purposes, and  
6 for purposes of taxing districts coextensive with the county, shall be  
7 computed upon the assessed value of the property of the county; the  
8 rate percent necessary to raise the amount of taxes levied for any  
9 taxing district within the county shall be computed upon the assessed  
10 value of the property of the district; all taxes assessed against any  
11 property shall be added together and extended on the rolls in a column  
12 headed consolidated or total tax. In extending any tax, whenever it  
13 amounts to a fractional part of a cent greater than five mills it shall  
14 be made one cent, and whenever it amounts to five mills or less than  
15 five mills it shall be dropped. The amount of all taxes shall be  
16 entered in the proper columns, as shown by entering the rate percent  
17 necessary to raise the consolidated or total tax and the total tax  
18 assessed against the property.

19       (2) After entering the amounts under subsection (1) of this  
20 section, the assessor shall compute the amount of credit authorized  
21 under section 1 of this act. The credit allowed on any property shall  
22 be extended on the rolls in a column headed tax credit. The assessor  
23 shall subtract the amount of the credit from the total tax and enter  
24 this amount in a column headed tax payable.

25       (3) For the purpose of computing the rate necessary to raise the  
26 amount of any excess levy in a taxing district which has classified or  
27 designated forest land under chapter 84.33 RCW, other than the state,  
28 the ((county)) assessor shall add the district's timber assessed value,  
29 as defined in RCW 84.33.035, to the assessed value of the property(~~(+~~  
30 ~~PROVIDED, That))~~). For school districts maintenance and operations  
31 levies only one-half of the district's timber assessed value or eighty  
32 percent of the timber roll of ((such)) the district in calendar year  
33 1983 as determined under chapter 84.33 RCW, whichever is greater, shall  
34 be added.

35       (~~(3)~~) (4) Upon the completion of ((such)) the tax extension, it  
36 shall be the duty of the ((county)) assessor to make in each assessment  
37 book, tax roll or list a certificate in the following form:

38       I, . . . . ., assessor of . . . . . county, state of  
39 Washington, do hereby certify that the foregoing is a correct list of

1 taxes levied on the real and personal property in the county of  
2 . . . . . for the year ((one)) two thousand ((nine hundred and))  
3 . . . . .

4 Witness my hand this . . . . day of . . . . ., ((19)). . .  
5 . . . . ., ((County)) Assessor

6 ((4)) (5) The ((county)) assessor shall deliver said tax rolls to  
7 the ((county)) treasurer, on or before the fifteenth day of January,  
8 taking receipt therefor, and at the same time the ((county)) assessor  
9 shall provide the ((county)) auditor with an abstract of the tax rolls  
10 showing the total amount of taxes collectible in each of the taxing  
11 districts.

12 NEW SECTION. **Sec. 6.** Section 1 of this act applies to taxes  
13 levied for collection in 2001 and thereafter.

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