

SENATE BILL REPORT

2SSB 5372

AS PASSED SENATE, JANUARY 28, 1994

Brief Description: Changing multiple tax provisions.

SPONSORS: Senate Committee on Government Operations (originally sponsored by Senators Loveland and Winsley)

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: That Second Substitute Senate Bill No. 5372 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Loveland, Oke and Winsley.

Staff: Rod McAulay (786-7754)

Hearing Dates: February 12, 1993; February 19, 1993; January 19, 1994

HOUSE COMMITTEE ON LOCAL GOVERNMENT

HOUSE COMMITTEE ON REVENUE

BACKGROUND:

Existing statutory provisions governing the assessment and collection of various state and local taxes contain inconsistent procedures, time frames and obsolete references to agencies and other statutes. There is a need for general technical housekeeping legislation to reduce confusion and aid efficiency and fairness in the assessment and collection of taxes.

SUMMARY:

Delinquent gambling taxes become a lien on real and personal property in the same manner as other taxes.

Joint school district levies collected by a county treasurer must be remitted monthly rather than quarterly.

A requirement that counties send tax foreclosure summons to city treasurers is deleted.

It is illegal to reuse or transfer a mobile home movement decal.

At least ten days prior to a hearing before the state Board of Tax Appeals, both the county assessor and the taxpayer must provide each other with evidence of comparable sales they intend to present.

The requirement that a notice of appeal from a county board of equalization decision be filed with the county auditor is deleted. The notice is filed directly with the state Board of Tax Appeals. The state Board of Tax Appeals may enter a multi-year order.

The terms "adequate stocking" and "merchantable stand of timber" are defined by the Forest Practices Board.

It is made clear that conservation future levies are subject to the 1 percent constitutional limit.

The court shall determine any penalty, not to exceed \$5,000, for the failure of a secured party listed on the tax rolls to provide to the assessor the name and address of the person making the mortgage or contract payments. The formula for establishing such a penalty is deleted.

Omitted improvements to real property may be added to the tax rolls even if other improvements already exist. The assessment of omitted improvements is not precluded by an intervening encumbrancer.

At the request of 80 percent of the owners, the county assessor may charge all owners the actual cost of surveying and platting an irregular subdivision. These charges, if unpaid, become a lien on the property and may be collected in the same manner as a property tax.

The abstract of the tax rolls shall be transmitted by the assessors to the department of revenue by the 18th of August.

If a county fails to provide the Department of Revenue an assessment return by December 1, the department may proceed in a manner it deems appropriate to estimate the value of each class of property in the county.

The county assessor must provide the taxpayer with any evidence of comparable sales at least 15 days prior to a board of equalization hearing. The taxpayer must provide the assessor with his or her evidence of comparable sales at least ten days prior to such hearing. The Board of Equalization may enter multi-year orders.

A property tax levy may include corrections for errors which occurred in the prior year. A correcting levy is not subject to the 106 percent limit.

Language is clarified that taxes paid as a result of mistake, inadvertence, or lack of knowledge of a public employee or taxpayer is the basis for a refund.

The provision authorizing payment of property taxes by credit card is repealed. Other obsolete references or terms are corrected or repealed.

Appropriation: none

Revenue: none

Fiscal Note: available

HOUSE AMENDMENT(S):

The House amendments make numerous technical changes, updating references and terminology. Numerous provisions are added which increase the responsibilities of county treasurers for fiscal matters of the county and special taxing districts within the county. The authority of county treasurers to invest funds is clarified. County treasurers are authorized to provide collection services to other county agencies and to serve as or designate a fiscal agent on local bond issues. The authority of special taxing districts to name a fiscal agent on bond issues is repealed.

The use of "debit cards" to pay court fines is authorized.

Terminology regarding the assessed valuation of utility assets and private car company assets is changed.

Statutes requiring salaried county officers to remit all fees collected to the county treasurer and requiring transient traders to notify the assessor when they come into the state to do business are repealed.