
Finance Committee

HB 2010

Brief Description: Authorizing a county real estate excise tax to fund a geographic information system.

Sponsors: Representatives Fromhold and Moeller.

Brief Summary of Bill

- Allows counties to impose a 0.125 percent local real estate tax rate to plan, implement, and maintain geographic information systems for administering the property tax system.

Hearing Date: 3/4/05

Staff: Rick Peterson (786-7150).

Background:

The real estate excise tax applies to sales of real property and is collected when the sale document is recorded with the county. The tax is imposed on the value of the real property transferred.

The state tax rate is 1.28 percent of the selling price. Cities and counties may levy a tax of 0.25 percent for capital improvements. Cities and counties may impose an additional 0.5 percent for general purposes if they do not impose the second 0.5 percent of the local sales tax. Cities and counties may levy additional taxes of up to 0.25 percent for growth management programs, but cities and counties not required to plan under the Growth Management Act must obtain voter approval before imposing the tax. Counties may impose a tax of up to 1.0 percent to finance the acquisition of conservation areas, subject to voter approval. San Juan County is the only county imposing the 1.0 percent tax for conservation areas. City taxes are imposed in the city and county taxes are imposed in the unincorporated areas of the county, except the tax for conservation areas, which is county-wide. The taxes are paid by the seller, except the conservation area tax is paid by the buyer.

The combined tax rate in most areas is either 1.53 percent or 1.78 percent.

Summary of Bill:

Counties may impose a 0.125 percent local real estate tax rate to plan, implement, and maintain geographic information systems for administering the property tax system.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.