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SENATE BILL 5014

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State of Washington

59th Legislature

2005 Regular Session

By Senators Fraser and Swecker

Read first time 01/10/2005. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to county treasurer administrative changes;  
2 amending RCW 1.12.070, 36.29.010, 63.29.135, 63.29.190, 82.02.020,  
3 82.45.090, 84.56.310, and 84.69.020; adding a new section to chapter  
4 84.56 RCW; and providing an effective date.

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

6 **Sec. 1.** RCW 1.12.070 and 1967 c 222 s 1 are each amended to read  
7 as follows:

8 Except as otherwise specifically provided by law hereafter:

9 (1) Any report, claim, tax return, statement or other document  
10 required to be filed with, or any payment made to the state or to any  
11 political subdivision thereof, which is (a) transmitted through the  
12 United States mail or private third-party delivery service, shall be  
13 deemed filed and received by the state or political subdivision on the  
14 date shown by the post office or private third-party delivery service  
15 cancellation mark or shipping date stamped or affixed upon the envelope  
16 or other appropriate wrapper containing it; or (b) mailed via United  
17 States mail or sent by a private third-party delivery service but not  
18 received by the state or political subdivision, or where received and  
19 the cancellation mark or shipping date is illegible, erroneous, or

1 omitted, shall be deemed filed and received on the date it was mailed  
2 if the sender establishes by competent evidence that the report, claim,  
3 tax return, statement, remittance, or other document was deposited with  
4 a private third-party delivery service or in the United States mail on  
5 or before the date due for filing; and in cases of such nonreceipt of  
6 a report, tax return, statement, remittance, or other document required  
7 by law to be filed, the sender files with the state or political  
8 subdivision a duplicate within ten days after written notification is  
9 given to the sender by the state or political subdivision of its  
10 nonreceipt of such report, tax return, statement, remittance, or other  
11 document.

12 (2)(a) If any report, claim, tax return, statement, remittance, or  
13 other document is sent by United States registered mail, certified mail  
14 or certificate of mailing, a record authenticated by the United States  
15 post office of such registration, certification or certificate shall be  
16 considered competent evidence that the report, claim, tax return,  
17 statement, remittance or other document was delivered to the addressee,  
18 and the date of registration, certification or certificate shall be  
19 deemed the postmarked date.

20 (b) If any report, claim, tax return, statement, remittance, or  
21 other document is sent via private third-party delivery service, a  
22 record authenticated by the private third-party delivery service shall  
23 be considered competent evidence that the report, claim, tax return,  
24 statement, remittance, or other document was delivered to the  
25 addressee, and the date of deposit with the private third-party  
26 delivery service shall be deemed the shipping date.

27 (3) If the date for filing any report, claim, tax return,  
28 statement, remittance, or other document falls upon a Saturday, Sunday  
29 or legal holiday, the filing shall be considered timely if performed on  
30 the next business day.

31 **Sec. 2.** RCW 36.29.010 and 2002 c 168 s 4 are each amended to read  
32 as follows:

33 The county treasurer:

34 (1) Shall receive all money due the county and disburse it on  
35 warrants issued and attested by the county auditor and electronic funds  
36 transfer under RCW 39.58.750 as attested by the county auditor;

1 (2) Shall issue a receipt in duplicate for all money received other  
2 than taxes; the treasurer shall deliver immediately to the person  
3 making the payment the original receipt and the duplicate shall be  
4 retained by the treasurer;

5 (3) Shall affix on the face of all paid warrants the date of  
6 redemption or, in the case of proper contract between the treasurer and  
7 a qualified public depository, the treasurer may consider the date  
8 affixed by the financial institution as the date of redemption;

9 (4) Shall endorse, before the date of issue by the county or by any  
10 taxing district for whom the county treasurer acts as treasurer, on the  
11 face of all warrants for which there are not sufficient funds for  
12 payment, "interest bearing warrant." When there are funds to redeem  
13 outstanding warrants, the county treasurer shall give notice:

14 (a) By publication in a legal newspaper published or circulated in  
15 the county; or

16 (b) By posting at three public places in the county if there is no  
17 such newspaper; or

18 (c) By notification to the financial institution holding the  
19 warrant;

20 (5) Shall pay interest on all interest-bearing warrants from the  
21 date of issue to the date of notification;

22 (6) Shall maintain financial records reflecting receipts and  
23 disbursement by fund in accordance with generally accepted accounting  
24 principles;

25 (7) Shall account for and pay all bonded indebtedness for the  
26 county and all special districts for which the county treasurer acts as  
27 treasurer;

28 (8) Shall invest all funds of the county or any special district in  
29 the treasurer's custody, not needed for immediate expenditure, in a  
30 manner consistent with appropriate statutes. If cash is needed to  
31 redeem warrants issued from any fund in the custody of the treasurer,  
32 the treasurer shall liquidate investments in an amount sufficient to  
33 cover such warrant redemptions; and

34 (9) May provide certain collection services for county departments.

35 The treasurer, at the expiration of the term of office, shall make  
36 a complete settlement with the county legislative authority, and shall  
37 deliver to the successor all public money, books, and papers in the  
38 treasurer's possession.

1 Money received by all entities for whom the county treasurer serves  
2 as treasurer must be deposited within twenty-four hours in an account  
3 designated by the county treasurer unless a waiver is granted by the  
4 county treasurer in accordance with RCW 43.09.240.

5 **Sec. 3.** RCW 63.29.135 and 1990 2nd ex.s. c 1 s 301 are each  
6 amended to read as follows:

7 A local government holding abandoned intangible property that is  
8 not forwarded to the department of revenue, as authorized under RCW  
9 63.29.190, shall not be required to maintain current records of this  
10 property for longer than five years after the property is presumed to  
11 be abandoned except for intangible property held pursuant to RCW  
12 84.64.080 the limit is three years, and at that time may archive  
13 records of this intangible property and transfer the intangible  
14 property to its general fund. However, except for intangible property  
15 held pursuant to RCW 84.64.080, the local government (~~shall~~) may  
16 remain liable to pay the intangible property to a person or entity  
17 subsequently establishing its ownership of this intangible property.

18 **Sec. 4.** RCW 63.29.190 and 1993 c 498 s 8 are each amended to read  
19 as follows:

20 (1) Except as otherwise provided in subsections (2) and (3) of this  
21 section, a person who is required to file a report under RCW 63.29.170  
22 shall pay or deliver to the department all abandoned property required  
23 to be reported at the time of filing the report.

24 (2) Counties, cities, towns, and other municipal and quasi-  
25 municipal corporations that hold funds representing warrants canceled  
26 pursuant to RCW 36.22.100 and 39.56.040, uncashed checks, excess  
27 proceeds from property tax and irrigation district foreclosures, and  
28 property tax overpayments or refunds may retain the funds until the  
29 owner notifies them and establishes ownership as provided in RCW  
30 63.29.135. (~~Counties,~~) Cities, towns, or other municipal or quasi-  
31 municipal corporations, except counties, shall provide to the  
32 department a report of property it is holding pursuant to this section.  
33 The report shall identify the property and owner in the manner provided  
34 in RCW 63.29.170 and the department shall publish the information as  
35 provided in RCW 63.29.180.

1 (3) The contents of a safe deposit box or other safekeeping  
2 repository presumed abandoned under RCW 63.29.160 and reported under  
3 RCW 63.29.170 shall be paid or delivered to the department within six  
4 months after the final date for filing the report required by RCW  
5 63.29.170.

6 If the owner establishes the right to receive the abandoned  
7 property to the satisfaction of the holder before the property has been  
8 delivered or it appears that for some other reason the presumption of  
9 abandonment is erroneous, the holder need not pay or deliver the  
10 property to the department, and the property will no longer be presumed  
11 abandoned. In that case, the holder shall file with the department a  
12 verified written explanation of the proof of claim or of the error in  
13 the presumption of abandonment.

14 (4) The holder of an interest under RCW 63.29.100 shall deliver a  
15 duplicate certificate or other evidence of ownership if the holder does  
16 not issue certificates of ownership to the department. Upon delivery  
17 of a duplicate certificate to the department, the holder and any  
18 transfer agent, registrar, or other person acting for or on behalf of  
19 a holder in executing or delivering the duplicate certificate is  
20 relieved of all liability of every kind in accordance with RCW  
21 63.29.200 to every person, including any person acquiring the original  
22 certificate or the duplicate of the certificate issued to the  
23 department, for any losses or damages resulting to any person by the  
24 issuance and delivery to the department of the duplicate certificate.

25 **Sec. 5.** RCW 82.02.020 and 1997 c 452 s 21 are each amended to read  
26 as follows:

27 Except only as expressly provided in chapters 67.28 and 82.14 RCW,  
28 the state preempts the field of imposing taxes upon retail sales of  
29 tangible personal property, the use of tangible personal property,  
30 parimutuel wagering authorized pursuant to RCW 67.16.060, conveyances,  
31 and cigarettes, and no county, town, or other municipal subdivision  
32 shall have the right to impose taxes of that nature. Except as  
33 provided in RCW 82.02.050 through 82.02.090, no county, city, town, or  
34 other municipal corporation shall impose any tax, fee, or charge,  
35 either direct or indirect, on the construction or reconstruction of  
36 residential buildings, commercial buildings, industrial buildings, or  
37 on any other building or building space or appurtenance thereto, or on

1 the development, subdivision, classification, or reclassification of  
2 land. However, this section does not preclude dedications of land or  
3 easements within the proposed development or plat which the county,  
4 city, town, or other municipal corporation can demonstrate are  
5 reasonably necessary as a direct result of the proposed development or  
6 plat to which the dedication of land or easement is to apply.

7 This section does not prohibit voluntary agreements with counties,  
8 cities, towns, or other municipal corporations that allow a payment in  
9 lieu of a dedication of land or to mitigate a direct impact that has  
10 been identified as a consequence of a proposed development,  
11 subdivision, or plat. A local government shall not use such voluntary  
12 agreements for local off-site transportation improvements within the  
13 geographic boundaries of the area or areas covered by an adopted  
14 transportation program authorized by chapter 39.92 RCW. Any such  
15 voluntary agreement is subject to the following provisions:

16 (1) The payment shall be held in a reserve account and may only be  
17 expended to fund a capital improvement agreed upon by the parties to  
18 mitigate the identified, direct impact;

19 (2) The payment shall be expended in all cases within five years of  
20 collection; and

21 (3) Any payment not so expended shall be refunded with interest to  
22 be calculated from the original date the deposit was received by the  
23 county and at the same rate applied to (~~judgments to the property~~  
24 ~~owners of record at the time of the refund~~) tax refunds pursuant to  
25 RCW 84.69.100; however, if the payment is not expended within five  
26 years due to delay attributable to the developer, the payment shall be  
27 refunded without interest.

28 No county, city, town, or other municipal corporation shall require  
29 any payment as part of such a voluntary agreement which the county,  
30 city, town, or other municipal corporation cannot establish is  
31 reasonably necessary as a direct result of the proposed development or  
32 plat.

33 Nothing in this section prohibits cities, towns, counties, or other  
34 municipal corporations from collecting reasonable fees from an  
35 applicant for a permit or other governmental approval to cover the cost  
36 to the city, town, county, or other municipal corporation of processing  
37 applications, inspecting and reviewing plans, or preparing detailed  
38 statements required by chapter 43.21C RCW.

1 This section does not limit the existing authority of any county,  
2 city, town, or other municipal corporation to impose special  
3 assessments on property specifically benefitted thereby in the manner  
4 prescribed by law.

5 Nothing in this section prohibits counties, cities, or towns from  
6 imposing or permits counties, cities, or towns to impose water, sewer,  
7 natural gas, drainage utility, and drainage system charges: PROVIDED,  
8 That no such charge shall exceed the proportionate share of such  
9 utility or system's capital costs which the county, city, or town can  
10 demonstrate are attributable to the property being charged: PROVIDED  
11 FURTHER, That these provisions shall not be interpreted to expand or  
12 contract any existing authority of counties, cities, or towns to impose  
13 such charges.

14 Nothing in this section prohibits a transportation benefit district  
15 from imposing fees or charges authorized in RCW 36.73.120 nor prohibits  
16 the legislative authority of a county, city, or town from approving the  
17 imposition of such fees within a transportation benefit district.

18 Nothing in this section prohibits counties, cities, or towns from  
19 imposing transportation impact fees authorized pursuant to chapter  
20 39.92 RCW.

21 Nothing in this section prohibits counties, cities, or towns from  
22 requiring property owners to provide relocation assistance to tenants  
23 under RCW 59.18.440 and 59.18.450.

24 This section does not apply to special purpose districts formed and  
25 acting pursuant to Titles 54, 57, or 87 RCW, nor is the authority  
26 conferred by these titles affected.

27 **Sec. 6.** RCW 82.45.090 and 2003 c 53 s 404 are each amended to read  
28 as follows:

29 (1) Except for a sale of a beneficial interest in real property  
30 where no instrument evidencing the sale is recorded in the official  
31 real property records of the county in which the property is located,  
32 or the sale of a water right that is transferred separately from the  
33 land, or both, the tax imposed by this chapter shall be paid to and  
34 collected by the treasurer of the county within which is located the  
35 real property which was sold. In collecting the tax the treasurer  
36 shall act as agent for the state. The county treasurer shall cause a  
37 stamp evidencing satisfaction of the lien to be affixed to the

1 instrument of sale or conveyance prior to its recording or to the real  
2 estate excise tax affidavit in the case of used mobile home sales and  
3 used floating home sales. A receipt issued by the county treasurer for  
4 the payment of the tax imposed under this chapter shall be evidence of  
5 the satisfaction of the lien imposed hereunder and may be recorded in  
6 the manner prescribed for recording satisfactions of mortgages. Except  
7 for an instrument of sale or conveyance for the sale of a water right  
8 that is transferred separately from the land, no instrument of sale or  
9 conveyance evidencing a sale subject to the tax shall be accepted by  
10 the county auditor for filing or recording until the tax shall have  
11 been paid and the stamp affixed thereto; in case the tax is not due on  
12 the transfer, the instrument shall not be so accepted until suitable  
13 notation of such fact has been made on the instrument by the treasurer.

14 (2)(a) For a sale of a beneficial interest in real property where  
15 a tax is due under this chapter and where no instrument is recorded in  
16 the official real property records of the county in which the property  
17 is located, the sale shall be reported to the department of revenue  
18 within five days from the date of the sale on such returns or forms and  
19 according to such procedures as the department may prescribe.

20 ((Such)) (b) For the sale of a water right that is transferred  
21 separately from the land and tax is due under this chapter, the sale  
22 shall be reported to the department within five days from the date of  
23 the sale on such returns and according to such procedures as the  
24 department may prescribe.

25 (c) Forms or returns shall be signed by both the transferor and the  
26 transferee and shall be accompanied by payment of the tax due.

27 ((+3)) (d) Any person who intentionally makes a false statement on  
28 any return or form required to be filed with the department under this  
29 chapter is guilty of perjury under chapter 9A.72 RCW.

30 NEW SECTION. Sec. 7. A new section is added to chapter 84.56 RCW  
31 to read as follows:

32 Every person who offers a document to the auditor of the proper  
33 county for recording that results in any division, alteration, or  
34 adjustment of real property boundary lines except as provided for in  
35 RCW 58.04.007(1) and 84.40.042(1)(c), shall file a certificate from the  
36 proper officer who may be in charge of the collection of taxes and

1 assessments for which the property affected may be liable at that date,  
2 that all current year and delinquent taxes and assessments which have  
3 been levied and become chargeable against the property have been paid.

4 **Sec. 8.** RCW 84.56.310 and 1961 c 15 s 84.56.310 are each amended  
5 to read as follows:

6 Any person being the owner or having an interest in an estate or  
7 claim to real property against which taxes shall have been unpaid may  
8 pay the same and satisfy the lien at any time before (~~execution of a~~  
9 ~~deed to said~~) the filing of a certificate of delinquency or judgment,  
10 as provided in chapter 84.64 RCW, against the real property. The  
11 person or authority who shall collect or receive the same shall give a  
12 certificate that such taxes have been so paid to the person or persons  
13 entitled to demand such certificate.

14 **Sec. 9.** RCW 84.69.020 and 2002 c 168 s 11 are each amended to read  
15 as follows:

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

- 18 (1) Paid more than once;
- 19 (2) Paid as a result of manifest error in description;
- 20 (3) Paid as a result of a clerical error in extending the tax  
21 rolls;
- 22 (4) Paid as a result of other clerical errors in listing property;
- 23 (5) Paid with respect to improvements which did not exist on  
24 assessment date;
- 25 (6) Paid under levies or statutes adjudicated to be illegal or  
26 unconstitutional;
- 27 (7) Paid as a result of mistake, inadvertence, or lack of knowledge  
28 by any person exempted from paying real property taxes or a portion  
29 thereof pursuant to RCW 84.36.381 through 84.36.389, as now or  
30 hereafter amended;
- 31 (8) Paid as a result of mistake, inadvertence, or lack of knowledge  
32 by either a public official or employee or by any person with respect  
33 to real property in which the person paying the same has no legal  
34 interest;
- 35 (9) Paid on the basis of an assessed valuation which was appealed  
36 to the county board of equalization and ordered reduced by the board;

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

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

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

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

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

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

27 (16) Abated under RCW 84.70.010.

28 No refunds under the provisions of this section shall be made  
29 because of any error in determining the valuation of property, except  
30 as authorized in subsections (9), (10), (11), and (12) of this section  
31 nor may any refunds be made if a bona fide purchaser has acquired  
32 rights that would preclude the assessment and collection of the  
33 refunded tax from the property that should properly have been charged  
34 with the tax. Any refunds made on delinquent taxes shall include the  
35 proportionate amount of interest and penalties paid. However, no  
36 refunds as a result of an incorrect payment authorized under subsection  
37 (8) of this section made by a third party payee shall (~~not include~~  
38 ~~refund interest~~) be granted. The county treasurer may deduct from

1 moneys collected for the benefit of the state's levy, refunds of the  
2 state levy including interest on the levy as provided by this section  
3 and chapter 84.68 RCW.

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

10 NEW SECTION. **Sec. 10.** This act takes effect August 1, 2005.

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