

HB 1648 - H AMD 37

By Representative Volz

ADOPTED 02/28/2017

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 84.56.020 and 2014 c 13 s 1 are each amended to
4 read as follows:

5 (1) The county treasurer must be the receiver and collector of
6 all taxes extended upon the tax rolls of the county, whether levied
7 for state, county, school, bridge, road, municipal or other purposes,
8 and also of all fines, forfeitures or penalties received by any
9 person or officer for the use of his or her county. No treasurer may
10 accept tax payments or issue receipts for the same until the
11 treasurer has completed the tax roll for the current year's
12 collection and provided notification of the completion of the roll.
13 Notification may be accomplished electronically, by posting a notice
14 in the office, or through other written communication as determined
15 by the treasurer. All (~~taxes upon~~) real and personal property taxes
16 and assessments made payable by the provisions of this title are due
17 and payable to the county treasurer on or before the thirtieth day of
18 April and, except as provided in this section, (~~shall be~~) are
19 delinquent after that date.

20 (2) Each tax statement must include a notice that checks for
21 payment of taxes may be made payable to "Treasurer of
22 County" or other appropriate office, but tax statements may not
23 include any suggestion that checks may be made payable to the name of
24 the individual holding the office of treasurer nor any other
25 individual.

26 (3) When the total amount of tax or special assessments on
27 personal property or on any lot, block or tract of real property
28 payable by one person is fifty dollars or more, and if one-half of
29 such tax (~~be~~) is paid on or before the thirtieth day of April, the
30 remainder of such tax is due and payable on or before the following
31 thirty-first day of October (~~following and shall be~~) and is
32 delinquent after that date.

1 (4) When the total amount of tax or special assessments on any
2 lot, block or tract of real property or on any mobile home payable by
3 one person is fifty dollars or more, and if one-half of such tax
4 ~~((be))~~ is paid after the thirtieth day of April but before the
5 thirty-first day of October, together with the applicable interest
6 and penalty on the full amount of tax payable for that year, the
7 remainder of such tax is due and payable on or before the following
8 thirty-first day of October ~~((following))~~ and is delinquent after
9 that date.

10 (5) Except as provided in (c) of this subsection, delinquent
11 taxes under this section are subject to interest at the rate of
12 twelve percent per annum computed on a monthly basis on the amount of
13 tax delinquent from the date of delinquency until paid. Interest must
14 be calculated at the rate in effect at the time of the tax payment
15 ~~((of the tax))~~, regardless of when the taxes were first delinquent.
16 In addition, delinquent taxes under this section are subject to
17 penalties as follows:

18 (a) A penalty of three percent of the amount of tax delinquent is
19 assessed on the tax delinquent on June 1st of the year in which the
20 tax is due.

21 (b) An additional penalty of eight percent is assessed on the
22 ~~((amount of tax))~~ delinquent tax amount on December 1st of the year
23 in which the tax is due.

24 (c) If a taxpayer is successfully participating in a partial
25 payment ~~((agreement under subsection (11)(b) of this section))~~
26 program pursuant to subsection (13) of this section, the county
27 treasurer may not assess additional penalties on delinquent taxes
28 that are included within the payment agreement. Interest and
29 penalties that have been assessed prior to the payment agreement
30 remain due and payable as provided in the payment agreement.

31 (6)(a) When real property taxes become delinquent and prior to
32 the filing of the certificate of delinquency, the treasurer is
33 authorized to assess and collect tax foreclosure avoidance costs.

34 (b) For the purposes of this section, "tax foreclosure avoidance
35 costs" means those ~~((costs that can be identified specifically))~~
36 direct costs associated with the administration of properties subject
37 to and prior to foreclosure. Tax foreclosure avoidance costs include:

38 (i) Compensation of employees for the time devoted ~~((and~~
39 ~~identified specifically))~~ to administering the avoidance of property
40 foreclosure; and

1 (ii) The cost of materials, services, or equipment acquired,
2 consumed, or expended (~~(specifically for the purpose of)~~) in
3 administering tax foreclosure avoidance prior to the filing of a
4 certificate of delinquency.

5 (c) When tax foreclosure avoidance costs are collected, (~~the tax~~
6 ~~foreclosure avoidance costs~~) such costs must be credited to the
7 county treasurer service fund account, except as otherwise directed.

8 (d) For purposes of chapter 84.64 RCW, any taxes, interest, or
9 penalties deemed delinquent under this section remain delinquent
10 until such time as all taxes, interest, and penalties for the tax
11 year in which the taxes were first due and payable have been paid in
12 full.

13 (7) Subsection (5) of this section notwithstanding, no interest
14 or penalties may be assessed during any period of armed conflict
15 (~~(on)~~) regarding delinquent taxes imposed on the personal residences
16 owned by active duty military personnel who are participating as part
17 of one of the branches of the military involved in the conflict and
18 assigned to a duty station outside the territorial boundaries of the
19 United States.

20 (8) During a state of emergency declared under RCW 43.06.010(12),
21 the county treasurer, on his or her own motion or at the request of
22 any taxpayer affected by the emergency, may grant extensions of the
23 due date of any taxes payable under this section as the treasurer
24 deems proper.

25 (9) All collections of interest on delinquent taxes must be
26 credited to the county current expense fund.

27 (10) For purposes of this chapter, "interest" means both interest
28 and penalties.

29 (~~(10) All collections of interest on delinquent taxes must be~~
30 ~~credited to the county current expense fund; but)~~)

31 (11) The direct cost of foreclosure and sale of real property,
32 and the direct fees and costs of distraint and sale of personal
33 property, for delinquent taxes, must, when collected, be credited to
34 the operation and maintenance fund of the county treasurer
35 prosecuting the foreclosure or distraint or sale; and must be used by
36 the county treasurer as a revolving fund to defray the cost of
37 further foreclosure, distraint, and sale (~~(for)~~) because of
38 delinquent taxes without regard to budget limitations and not subject
39 to indirect costs of other charges.

1 ~~((11))~~ (12)(a) For purposes of this chapter, and in accordance
2 with this section and RCW 36.29.190, the treasurer may collect taxes,
3 assessments, fees, rates, interest, and charges by electronic ~~((bill
4 presentment))~~ billing and payment. Electronic ~~((bill—presentment))~~
5 billing and payment may be ~~((utilized))~~ used as an option by the
6 taxpayer, but the treasurer may not require the use of electronic
7 ~~((bill—presentment))~~ billing and payment. Electronic bill presentment
8 and payment may be on a monthly or other periodic basis as the
9 treasurer deems proper for delinquent tax year payments only or for
10 prepayments of current tax. All prepayments must be paid in full by
11 the due date specified in ~~((e))~~ (b) of this subsection. Payments on
12 past due taxes must include collection of the oldest delinquent year,
13 which includes interest and taxes within a twelve-month period, prior
14 to filing a certificate of delinquency under chapter 84.64 RCW or
15 distraint pursuant to RCW 84.56.070.

16 (b) ~~((The treasurer must provide, by electronic means or
17 otherwise, a payment agreement that provides for payment of current
18 year taxes, inclusive of prepayment collection charges. The treasurer
19 may provide, by electronic means or otherwise, a payment agreement
20 for payment of past due delinquencies, which must also require
21 current year taxes to be paid timely. The payment agreement must be
22 signed by the taxpayer and treasurer prior to the sending of an
23 electronic or alternative bill, which includes a payment plan for
24 current year taxes. The treasurer may accept partial payment of
25 current and delinquent taxes including interest and penalties using
26 electronic bill presentment and payments.~~

27 ~~(e))~~ All taxes upon real and personal property made payable by
28 the provisions of this title are due and payable to the treasurer on
29 or before the thirtieth day of April and are delinquent after that
30 date. The remainder of the tax is due and payable on or before the
31 following thirty-first ~~((day))~~ of October ~~((following))~~ and is
32 delinquent after that date. All other assessments, fees, rates, and
33 charges are delinquent after the due date.

34 ~~((d))~~ (c) A county treasurer may authorize payment of past due
35 property taxes, penalties, and interest under this chapter by
36 electronic funds transfers ~~((payments))~~ on a monthly basis.
37 Delinquent taxes are subject to interest and penalties, as provided
38 in subsection (5) of this section.

39 ~~((e))~~ (d) The treasurer must pay any collection costs,
40 investment earnings, or both on past due payments or prepayments to

1 the credit of a county treasurer service fund account to be created
2 and used only for the payment of expenses incurred by the treasurer,
3 without limitation, in administering the system for collecting
4 prepayments.

5 ~~((12))~~ (13) The treasurer may accept partial payment of current
6 and delinquent taxes including interest and penalties by any means
7 authorized.

8 (14) For purposes of this section unless the context clearly
9 requires otherwise, the following definitions apply:

10 (a) "Electronic ~~((bill presentment))~~ billing and payment" means
11 statements, invoices, or bills that are created, delivered, and paid
12 using the internet. The term includes an automatic electronic payment
13 from a person's checking account, debit account, or credit card.

14 (b) "Internet" has the same meaning as provided in RCW
15 19.270.010.

16 **Sec. 2.** RCW 84.56.050 and 1991 c 245 s 17 are each amended to
17 read as follows:

18 (1) On ~~((receiving the tax rolls the treasurer shall post))~~
19 receipt of the certification of the tax rolls from the county
20 assessor, the county treasurer must transfer all real and personal
21 property taxes from the rolls to the treasurer's tax roll, and
22 ~~((shall))~~ must carry forward to the current tax rolls a memorandum of
23 all delinquent taxes on each and every description of property, ~~((and~~
24 enter the same on the property upon which the taxes are delinquent
25 showing the amounts for each year. The treasurer shall notify each
26 taxpayer in the county, at the expense of the county, of the amount
27 of the real and personal property, and the current and delinquent
28 amount of tax due on the same; and the treasurer shall have printed
29 on the notice the name of each tax and the levy made on the same. The
30 county treasurer shall be the sole collector of all delinquent taxes
31 and all other taxes due and collectible on the tax rolls of the
32 county: PROVIDED, That the term "taxpayer" as used in this section
33 shall)) entering which taxes are delinquent and the amounts for each
34 year. Except as provided otherwise in this section, the treasurer
35 must provide a printed notice or electronically publish, at the
36 expense of the county, information for each taxpayer, regarding the
37 amount of real and personal property, and the name of each tax and
38 levy made on the same. The county treasurer must be the sole
39 collector of all taxes, current or delinquent.

1 (2) For the purposes of this section, "taxpayer" means any person
2 charged, or whose property is charged, with property tax(~~(+and)~~).

3 (3) The person to be notified (~~is that~~) under this section is
4 the person whose name appears on the tax roll herein mentioned(~~(+~~
5 PROVIDED, FURTHER, That)). However, if:

6 (a) No name so appears the person to be notified is (~~that~~) the
7 person shown by the treasurer's tax rolls or duplicate tax receipts
8 of any preceding year as the payer of the tax last paid on the
9 property (~~in question~~); or

10 (b) The real property taxes are paid by a bank, as defined in RCW
11 62A.1-201, the name of each tax and levy in the property tax
12 information on the county treasurer's web site satisfies the notice
13 requirements of this section.

14 **Sec. 3.** RCW 82.45.090 and 2009 c 350 s 8 are each amended to
15 read as follows:

16 (1) Except for a sale of a beneficial interest in real property
17 where no instrument evidencing the sale is recorded in the official
18 real property records of the county in which the property is located,
19 the tax imposed by this chapter (~~shall~~) must be paid to and
20 collected by the treasurer of the county within which is located the
21 real property (~~which~~) that was sold. In collecting the tax the
22 county treasurer (~~shall~~) must act as agent for the state. The
23 county treasurer (~~shall~~) must cause a verification of payment
24 evidencing satisfaction of the lien to be affixed to the instrument
25 of sale or conveyance prior to its recording or to the real estate
26 excise tax affidavit in the case of used mobile home sales and used
27 floating home sales. A receipt issued by the county treasurer for the
28 payment of the tax imposed under this chapter (~~shall be~~) is
29 evidence of the satisfaction of the lien imposed (~~hereunder~~) in
30 this section and may be recorded in the manner prescribed for
31 recording satisfactions of mortgages. No instrument of sale or
32 conveyance evidencing a sale subject to the tax (~~shall~~) may be
33 accepted by the county auditor for filing or recording until the tax
34 (~~shall have been~~) is paid and the verification of payment affixed
35 thereto; in case the tax is not due on the transfer, the instrument
36 (~~shall~~) may not be so accepted until suitable notation of such fact
37 has been made on the instrument by the treasurer. (~~Any time there is~~
38 a)) At the sale of a used mobile home, used manufactured home, used
39 park model, or used floating home that has not been title eliminated,

1 property taxes must be current in order to complete the processing of
2 the real estate excise tax affidavit or other documents transferring
3 title. Verification that the property taxes are current must be noted
4 on the mobile home real estate excise tax affidavit or on a form
5 approved by the county treasurer. For the purposes of this
6 subsection, "mobile home," "manufactured home," and "park model" have
7 the same meaning as provided in RCW 59.20.030.

8 (2) For a sale of a beneficial interest in real property where a
9 tax is due under this chapter and where no instrument is recorded in
10 the official real property records of the county in which the
11 property is located, the sale (~~shall~~) must be reported to the
12 department of revenue within five days from the (~~date of the~~) sale
13 date on such returns or forms and according to such procedures as the
14 department may prescribe. Such forms or returns (~~shall~~) must be
15 signed or electronically signed by both the transferor and the
16 transferee and (~~shall~~) must be accompanied by payment of the tax
17 due.

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

21 NEW SECTION. **Sec. 4.** 2014 c 13 s 3 (uncodified) is repealed."

22 Correct the title.

EFFECT: Clarifies the treasurer's duties for collecting and accepting payment for taxes. Clarifies and limits the definition of "tax foreclosure avoidance costs" to those direct costs *associated* with (rather than those costs *identified* with) the administration of properties subject to and prior to foreclosure. Eliminates the provision added in the original bill that specified that a treasurer may only accept electronic partial payment of taxes one-time from a taxpayer.

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