

EHB 1648 - S COMM AMD
By Committee on Local Government

ADOPTED 03/31/2017

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 payment
25 agreement under subsection (12)(b) of this section or a partial
26 payment ~~((agreement under subsection (11)(b) of this section))~~
27 program pursuant to subsection (13) of this section, the county
28 treasurer may not assess additional penalties on delinquent taxes
29 that are included within the payment agreement. Interest and
30 penalties that have been assessed prior to the payment agreement
31 remain due and payable as provided in the payment agreement.

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

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

1 (i) Compensation of employees for the time devoted ((and
2 ~~identified specifically~~)) to administering the avoidance of property
3 foreclosure; and

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

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

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

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

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

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

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

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

34 (11) The direct cost of foreclosure and sale of real property,
35 and the direct fees and costs of distraint and sale of personal
36 property, for delinquent taxes, must, when collected, be credited to
37 the operation and maintenance fund of the county treasurer
38 prosecuting the foreclosure or distraint or sale; and must be used by
39 the county treasurer as a revolving fund to defray the cost of
40 further foreclosure, distraint, and sale ((~~for~~)) because of

1 delinquent taxes without regard to budget limitations and not subject
2 to indirect costs of other charges.

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

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

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

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

1 (e) The treasurer must pay any collection costs, investment
2 earnings, or both on past due payments or prepayments to the credit
3 of a county treasurer service fund account to be created and used
4 only for the payment of expenses incurred by the treasurer, without
5 limitation, in administering the system for collecting prepayments.

6 ~~((12))~~ (13) In addition to the payment program in subsection
7 (12)(b) of this section, the treasurer may accept partial payment of
8 current and delinquent taxes including interest and penalties by any
9 means authorized.

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

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

16 (b) "Internet" has the same meaning as provided in RCW
17 19.270.010.

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

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

1 levy made on the same. The county treasurer must be the sole
2 collector of all taxes, current or delinquent.

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

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

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

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

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

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

1 a)) At the sale of a used mobile home, used manufactured home, used
2 park model, or used floating home that has not been title eliminated,
3 property taxes must be current in order to complete the processing of
4 the real estate excise tax affidavit or other documents transferring
5 title. Verification that the property taxes are current must be noted
6 on the mobile home real estate excise tax affidavit or on a form
7 approved by the county treasurer. For the purposes of this
8 subsection, "mobile home," "manufactured home," and "park model" have
9 the same meaning as provided in RCW 59.20.030.

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

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

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

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24 On page 1, line 1 of the title, after "efficiencies;" strike the
25 remainder of the title and insert "amending RCW 84.56.020, 84.56.050,
26 and 82.45.090; and repealing 2014 c 13 s 3 (uncodified)."

EFFECT: Makes clear that taxpayers may get relief from additional
penalties and interest if successful under a partial payment
agreement.

Retains and makes discretionary a county treasurer's authority to
provide a payment agreement for both current and delinquent taxes.

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