

1 1300-S AMH WANG H3054.1

2 **SHB 1300 - H AMD ADOPTED 4-28-91**

3 By Representative Wang

4

5 Strike everything after the enacting clause and insert the  
6 following:

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 84.04 RCW  
8 to read as follows:

9 "Appraised value of property" means:

10 (1) For real property, the aggregate true and fair value of the  
11 property as last determined by the county assessor according to the  
12 revaluation program approved under chapter 84.41 RCW, including  
13 revaluations based on statistical data between physical inspections;  
14 and

15 (2) For personal property, the aggregate true and fair value of the  
16 property as last determined by the county assessor."

17 "**Sec. 2.** RCW 84.04.030 and 1961 c 15 s 84.04.030 are each amended  
18 to read as follows:

19 "Assessed value of property" shall be held and construed to mean  
20 the aggregate valuation of the property subject to taxation by any  
21 taxing district as determined under section 5 of this act, reduced by  
22 the value of any applicable exemptions under RCW 84.36.381 or other  
23 law, and placed on the last completed and balanced tax rolls of the  
24 county preceding the date of any tax levy."

25 "**Sec. 3.** RCW 84.40.020 and 1973 c 69 s 1 are each amended to read  
26 as follows:

1 All real property in this state subject to taxation shall be listed  
2 and assessed every year, with reference to its appraised and assessed  
3 values on the first day of January of the year in which it is assessed.  
4 Such listing and all supporting documents and records shall be open to  
5 public inspection during the regular office hours of the assessor's  
6 office: PROVIDED, That confidential income data is exempted from  
7 public inspection pursuant to RCW 42.17.310. All personal property in  
8 this state subject to taxation shall be listed and assessed every year,  
9 with reference to its appraised and assessed values and ownership on  
10 the first day of January of the year in which it is assessed:  
11 PROVIDED, That if the stock of goods, wares, merchandise or material,  
12 whether in a raw or finished state or in process of manufacture, owned  
13 or held by any taxpayer on January 1 of any year does not fairly  
14 represent the average stock carried by such taxpayer, such stock shall  
15 be listed and assessed upon the basis of the monthly average of stock  
16 owned or held by such taxpayer during the preceding calendar year or  
17 during such portion thereof as the taxpayer was engaged in business."

18 "Sec. 4. RCW 84.40.030 and 1988 c 222 s 14 are each amended to  
19 read as follows:

20 All property shall be ~~((valued))~~ appraised at one hundred percent  
21 of its true and fair value in money and assessed ~~((on the same basis))~~  
22 each year as provided in section 5 of this act, unless specifically  
23 provided otherwise by law.

24 Taxable leasehold estates shall be valued at such price as they  
25 would bring at a fair, voluntary sale for cash without any deductions  
26 for any indebtedness owed including rentals to be paid.  
27 ~~((Notwithstanding any other provisions of this section or of any other~~  
28 ~~statute, when the value of any taxable leasehold estate created prior~~  
29 ~~to January 1, 1971 is being determined for assessment years prior to~~

1 ~~the assessment year 1973, there shall be deducted from what would~~  
2 ~~otherwise be the value thereof the present worth of the rentals and~~  
3 ~~other consideration which may be required of the lessee by the lessor~~  
4 ~~for the unexpired term thereof:— PROVIDED, That the foregoing~~  
5 ~~provisions of this sentence shall not apply to any extension or~~  
6 ~~renewal, made after December 31, 1970 of the term of any such estate,~~  
7 ~~or to any such estate after the date, if any, provided for in the~~  
8 ~~agreement for rental renegotiation.))~~

9       The true and fair value of real property for taxation purposes  
10 (including property upon which there is a coal or other mine, or stone  
11 or other quarry) shall be based upon the following criteria:

12       (1) Any sales of the property being appraised or similar properties  
13 with respect to sales made within the past five years. The appraisal  
14 shall take into consideration political restrictions such as zoning as  
15 well as physical and environmental influences. The appraisal shall  
16 also take into account, (a) in the use of sales by real estate contract  
17 as similar sales, the extent, if any, to which the stated selling price  
18 has been increased by reason of the down payment, interest rate, or  
19 other financing terms; and (b) the extent to which the sale of a  
20 similar property actually represents the general effective market  
21 demand for property of such type, in the geographical area in which  
22 such property is located. Sales involving deed releases or similar  
23 seller-developer financing arrangements shall not be used as sales of  
24 similar property.

25       (2) In addition to sales as defined in subsection (1) of this  
26 section, consideration may be given to cost, cost less depreciation,  
27 reconstruction cost less depreciation, or capitalization of income that  
28 would be derived from prudent use of the property. In the case of  
29 property of a complex nature, or being used under terms of a franchise  
30 from a public agency, or operating as a public utility, or property not

1 having a record of sale within five years and not having a significant  
2 number of sales of similar property in the general area, the provisions  
3 of this subsection (2) shall be the dominant factors in valuation.  
4 When provisions of this subsection (2) are relied upon for establishing  
5 values the property owner shall be advised upon request of the factors  
6 used in arriving at such value.

7 (3) In valuing any tract or parcel of real property, the true and  
8 fair value of the land, exclusive of structures thereon shall be  
9 determined; also the true and fair value of structures thereon, but the  
10 appraised valuation shall not exceed the true and fair value of the  
11 total property as it exists. In valuing agricultural land, growing  
12 crops shall be excluded."

13 "NEW SECTION. Sec. 5. A new section is added to chapter 84.40 RCW  
14 to read as follows:

15 (1) As used in this section:

16 (a) "Previous assessed value" means the assessed value for the year  
17 immediately preceding the year for which a calculation is being made  
18 under this section.

19 (b) "Current appraised value" means the appraised value for the  
20 year for which a calculation is being made under this section.

21 (c) "Total value increase" means the current appraised value minus  
22 the previous assessed value. Total value increase can never be less  
23 than zero.

24 (d) "Improvement increase" means the portion of the total value  
25 increase attributable to any physical improvements made to the property  
26 since the previous assessment, other than improvements exempt under RCW  
27 84.36.400 for the year for which a calculation is being made under this  
28 section. The total value of newly acquired personal property shall be

1 considered an improvement increase. Improvement increase can never be  
2 less than zero.

3 (e) "Market increase" means the total value increase minus the  
4 improvement increase. Market increase can never be less than zero.

5 (2) The assessed value of property is equal to the lesser of the  
6 current appraised value or a limited value determined under this  
7 section. The limited value is equal to the greater of:

8 (a) The improvement increase plus one hundred ten percent of the  
9 previous assessed value; or

10 (b) The sum of:

11 (i) The previous assessed value;

12 (ii) The improvement increase; and

13 (iii) One-quarter of the market increase."

14 **"Sec. 6.** RCW 84.40.040 and 1988 c 222 s 15 are each amended to  
15 read as follows:

16 The assessor shall begin the preliminary work for each assessment  
17 not later than the first day of December of each year in all counties  
18 in the state. The assessor shall also complete the duties of listing  
19 and placing valuations on all property by May 31st of each year, except  
20 that the listing and valuation of construction and mobile homes under  
21 RCW (~~(36.21.040 through)~~) 36.21.080 and 36.21.090 shall be completed by  
22 August 31st of each year, and in the following manner, to wit:

23 The assessor shall actually determine as nearly as practicable the  
24 true and fair value of each tract or lot of land listed for taxation  
25 and of each improvement located thereon and shall enter as the  
26 appraised value one hundred percent of the true and fair value of such  
27 land and of the total true and fair value of such improvements,  
28 together with the total of such one hundred percent valuations,

1 opposite each description of property on the assessment list and tax  
2 roll.

3 The assessor shall determine the assessed value, under section 5 of  
4 this act, for each tract or lot of land listed for taxation, including  
5 improvements located thereon, and shall also enter this value opposite  
6 each description of property on the assessment list and tax roll.

7 The assessor shall make an alphabetical list of the names of all  
8 persons in the county liable to assessment of personal property, and  
9 require each person to make a correct list and statement of such  
10 property according to the standard form prescribed by the department of  
11 revenue, which statement and list shall include, if required by the  
12 form, the year of acquisition and total original cost of personal  
13 property in each category of the prescribed form, and shall be signed  
14 and verified under penalty of perjury by the person listing the  
15 property: PROVIDED, That the assessor may list and value improvements  
16 on publicly owned land in the same manner as real property is listed  
17 and valued, including conformance with the revaluation program required  
18 under chapter 84.41 RCW. Such list and statement shall be filed on or  
19 before the last day of April. The assessor shall on or before the 1st  
20 day of January of each year mail a notice to all such persons at their  
21 last known address that such statement and list is required, such  
22 notice to be accompanied by the form on which the statement or list is  
23 to be made: PROVIDED, That the notice mailed by the assessor to each  
24 taxpayer each year shall, if practicable, include the statement and  
25 list of personal property of the taxpayer for the preceding year. Upon  
26 receipt of such statement and list the assessor shall thereupon  
27 determine the true and fair value of the property included in such  
28 statement and enter as the appraised value one hundred percent of the  
29 same on the assessment roll opposite the name of the party assessed(~~+~~  
30 ~~and~~)). The assessor shall determine the assessed value of the property

1 under section 5 of this act and shall also enter this value on the  
2 assessment roll opposite the name of the party assessed. In making  
3 such entry in the assessment list, the assessor shall give the name and  
4 post office address of the party listing the property, and if the party  
5 resides in a city the assessor shall give the street and number or  
6 other brief description of the party's residence or place of business.  
7 The assessor may, after giving written notice of the action to the  
8 person to be assessed, add to the assessment list any taxable property  
9 which should be included in such list."

10 "Sec. 7. RCW 84.40.045 and 1977 ex.s. c 181 s 1 are each amended  
11 to read as follows:

12 The assessor shall give notice of any change in the (~~true and~~  
13 ~~fair~~) assessed value of real or personal property (~~for the tract or~~  
14 ~~lot of land and any improvements thereon~~) no later than thirty days  
15 after (~~appraisal~~) the change: PROVIDED, That no such notice shall be  
16 mailed during the period from January 15 to February 15 of each year:  
17 PROVIDED FURTHER, That no notice need be sent with respect to changes  
18 in valuation of forest land made pursuant to chapter 84.33 RCW.

19 The notice shall contain a statement of both the prior and the new  
20 (~~true and fair~~) appraised and assessed values (~~and the ratio of the~~  
21 ~~assessed value to the true and fair value on which the assessment of~~  
22 ~~the property is based~~), stating separately land and improvement  
23 appraised values for real property, and a brief statement of the  
24 procedure for appeal to the board of equalization and the time, date,  
25 and place of the meetings of the board.

26 The notice shall be mailed by the assessor to the taxpayer.

27 If any taxpayer, as shown by the tax rolls, holds solely a security  
28 interest in the real property which is the subject of the notice,  
29 pursuant to a mortgage, contract of sale, or deed of trust, such

1 taxpayer shall, upon written request of the assessor, supply, within  
2 thirty days of receipt of such request, to the assessor the name and  
3 address of the person making payments pursuant to the mortgage,  
4 contract of sale, or deed of trust, and thereafter such person shall  
5 also receive a copy of the notice provided for in this section.  
6 Willful failure to comply with such request within the time limitation  
7 provided for herein shall make such taxpayer subject to a civil penalty  
8 of five dollars for each parcel of real property within the scope of  
9 the request in which it holds the security interest, the aggregate of  
10 such penalties in any one year not to exceed five thousand dollars.  
11 The penalties provided for herein shall be recoverable in an action by  
12 the county prosecutor, and when recovered shall be deposited in the  
13 county current expense fund. The assessor shall make the request  
14 provided for by this section during the month of January."

15 "Sec. 8. RCW 84.41.041 and 1987 c 319 s 4 are each amended to read  
16 as follows:

17 Each county assessor shall cause taxable real property to be  
18 physically inspected and valued at least once every six years in  
19 accordance with RCW 84.41.030, and in accordance with a plan filed with  
20 and approved by the department of revenue. Such revaluation plan shall  
21 provide that a reasonable portion of all taxable real property within  
22 a county shall be revalued and these newly-determined values placed on  
23 the assessment rolls each year. The department may approve a plan that  
24 provides that all property in the county be revalued every two years.  
25 If the revaluation plan provides for physical inspection at least once  
26 each four years, during the intervals between each physical inspection  
27 of real property, the appraised valuation of such property may be  
28 adjusted to its current true and fair value, such adjustments to be  
29 based upon appropriate statistical data. If the revaluation plan



1 provides for physical inspection less frequently than once each four  
2 years, during the intervals between each physical inspection of real  
3 property, the appraised valuation of such property shall be adjusted to  
4 its current true and fair value, such adjustments to be made once each  
5 year and to be based upon appropriate statistical data. If the  
6 appraised valuation is changed, the assessed value shall be  
7 recalculated under section 5 of this act.

8 The assessor may require property owners to submit pertinent data  
9 respecting taxable property in their control including data respecting  
10 any sale or purchase of said property within the past five years, the  
11 cost and characteristics of any improvement on the property and other  
12 facts necessary for appraisal of the property."

13 "Sec. 9. RCW 84.48.010 and 1988 c 222 s 20 are each amended to  
14 read as follows:

15 Prior to July 15th, the county legislative authority shall form a  
16 board for the equalization of the assessment of the property of the  
17 county. The members of said board shall receive a per diem amount as  
18 set by the county legislative authority for each day of actual  
19 attendance of the meeting of the board of equalization to be paid out  
20 of the current expense fund of the county: PROVIDED, That when the  
21 county legislative authority constitute the board they shall only  
22 receive their compensation as members of the county legislative  
23 authority. The board of equalization shall meet in open session for  
24 this purpose annually on the 15th day of July and, having each taken an  
25 oath fairly and impartially to perform their duties as members of such  
26 board, they shall examine and compare the returns of the assessment of  
27 the property of the county and proceed to equalize the same, so that  
28 the appraised value of each tract or lot of real property and each  
29 article or class of personal property shall be entered on the

1 assessment list at its true and fair value, (~~according to the measure~~  
2 ~~of value used by the county assessor in such assessment year, which is~~  
3 ~~presumed to be correct pursuant to RCW 84.40.0301~~) and so that the  
4 assessed value of each tract or lot of real property and each article  
5 or class of personal property are entered on the assessment list at its  
6 correct amount, and subject to the following rules:

7 First. They shall raise the appraised valuation of each tract or  
8 lot or item of real property which is returned below its true and fair  
9 value to such price or sum as to be the true and fair value thereof,  
10 and raise the assessed valuation of each tract or lot or item of real  
11 property which is returned below its correct amount to the correct  
12 amount after at least five days' notice shall have been given in  
13 writing to the owner or agent.

14 Second. They shall reduce the appraised valuation of each tract or  
15 lot or item which is returned above its true and fair value to such  
16 price or sum as to be the true and fair value thereof and reduce the  
17 assessed valuation of each tract or lot or item of real property which  
18 is returned above its correct amount to the correct amount.

19 Third. They shall raise the appraised valuation of each class of  
20 personal property which is returned below its true and fair value to  
21 such price or sum as to be the true and fair value thereof, and they  
22 shall raise the aggregate appraised value of the personal property of  
23 each individual whenever the aggregate appraised value is less than the  
24 true valuation of the taxable personal property possessed by such  
25 individual, to such sum or amount as to be the true value thereof, and  
26 raise the aggregate assessed valuation of the personal property of each  
27 individual which is returned below its correct amount to the correct  
28 amount, after at least five days' notice shall have been given in  
29 writing to the owner or agent thereof.

1 Fourth. They shall reduce the appraised valuation of each class of  
2 personal property enumerated on the detail and assessment list of the  
3 current year, which is returned above its true and fair value, to such  
4 price or sum as to be the true and fair value thereof; and they shall  
5 reduce the aggregate assessed valuation of the personal property of  
6 such individual who has been assessed at too large a sum to such sum or  
7 amount (~~(as was the true and fair value of the personal property)~~) to  
8 the correct amount.

9 Fifth. The board may review all claims for either real or personal  
10 property tax exemption as determined by the county assessor, and shall  
11 consider any taxpayer appeals from the decision of the assessor thereon  
12 to determine (1) if the taxpayer is entitled to an exemption, and (2)  
13 if so, the amount thereof.

14 The clerk of the board shall keep an accurate journal or record of  
15 the proceedings and orders of said board showing the facts and evidence  
16 upon which their action is based, and the said record shall be  
17 published the same as other proceedings of county legislative  
18 authority, and shall make a true record of the changes of the  
19 descriptions and (~~(assessed)~~) appraised values ordered by the county  
20 board of equalization. The assessor shall recalculate assessed values  
21 and correct the real and personal assessment rolls in accordance with  
22 the changes made by the said county board of equalization, and the  
23 assessor shall make duplicate abstracts of such corrected values, one  
24 copy of which shall be retained in the office, and one copy forwarded  
25 to the department of revenue on or before the eighteenth day of August  
26 next following the meeting of the county board of equalization.

27 The county board of equalization shall meet on the 15th day of July  
28 and may continue in session and adjourn from time to time during a  
29 period not to exceed four weeks, but shall remain in session not less  
30 than three days: PROVIDED, That the county board of equalization with

1 the approval of the county legislative authority may convene at any  
2 time when petitions filed exceed twenty-five, or ten percent of the  
3 number of appeals filed in the preceding year, whichever is greater.

4 No taxes, except special taxes, shall be extended upon the tax  
5 rolls until the property valuations are equalized by the department of  
6 revenue for the purpose of raising the state revenue.

7 County legislative authorities as such shall at no time have any  
8 authority to change the valuation of the property of any person or to  
9 release or commute in whole or in part the taxes due on the property of  
10 any person."

11 "Sec. 10. RCW 84.48.065 and 1989 c 378 s 14 are each amended to  
12 read as follows:

13 The county assessor or treasurer may cancel or correct assessments  
14 on the assessment or tax rolls which are erroneous due to manifest  
15 errors in description, double assessments, clerical errors in extending  
16 the rolls, clerical errors in calculating the assessed value under  
17 section 5 of this act, and such manifest errors in the listing of the  
18 property which do not involve a revaluation of property, such as the  
19 assessment of property exempted by law from taxation or the failure to  
20 deduct the exemption allowed by law to the head of a family. When the  
21 county assessor cancels or corrects an assessment, the assessor shall  
22 send a notice to the taxpayer advising the taxpayer that the action of  
23 the county assessor is not final and shall be considered by the county  
24 board of equalization, and that such notice shall constitute legal  
25 notice of such fact. When the county assessor or treasurer cancels or  
26 corrects an assessment, a record of such action shall be prepared and  
27 filed with the county board of equalization, setting forth therein the  
28 facts relating to the error. The record shall also set forth by legal  
29 description all property belonging exclusively to the state, any

1 county, or any municipal corporation whose property is exempt from  
2 taxation, upon which there remains, according to the tax roll, any  
3 unpaid taxes.

4 The county board of equalization shall consider only such matters  
5 as appear in the record filed with it by the county assessor or  
6 treasurer and shall correct only such matters as are set forth in the  
7 record, but it shall have no power to change or alter the assessment of  
8 any person, or change the aggregate value of the taxable property of  
9 the county, except insofar as it is necessary to correct the errors  
10 mentioned in this section. If the county board of equalization finds  
11 that the action of the assessor was not correct, it shall issue a  
12 supplementary roll including such corrections as are necessary, and the  
13 assessment and levy shall have the same force and effect as if made in  
14 the first instance, and the county treasurer shall proceed to collect  
15 the taxes due on the supplementary roll. The board shall make findings  
16 of the facts upon which it bases its decision on all matters submitted  
17 to it, and when so made the assessment and levy shall have the same  
18 force as if made in the first instance, and the county treasurer shall  
19 proceed to collect the taxes due on the rolls as modified.

20 The county board of equalization shall convene on a day fixed by  
21 the board for the purpose of considering such matters as appear in the  
22 record filed by the county assessor or treasurer."

23 "Sec. 11. RCW 84.48.075 and 1988 c 222 s 23 are each amended to  
24 read as follows:

25 (1) The department of revenue shall annually, prior to the first  
26 Monday in September, determine and submit to each assessor a  
27 preliminary indicated ratio for each county: PROVIDED, That the  
28 department shall establish rules and regulations pertinent to the  
29 determination of the indicated ratio, the indicated real property ratio

1 and the indicated personal property ratio: PROVIDED FURTHER, That  
2 these rules and regulations may provide that data, as is necessary for  
3 said determination, which is available from the county assessor of any  
4 county and which has been audited as to its validity by the department,  
5 shall be utilized by the department in determining the indicated ratio.

6 (2) To such extent as is reasonable, the department may define use  
7 classes of property for the purposes of determination of the indicated  
8 ratio. Such use classes may be defined with respect to property use  
9 and may include agricultural, open space, timber and forest lands.

10 (3) The department shall review each county's preliminary ratio  
11 with the assessor, a landowner, or an owner of an intercounty public  
12 utility or private car company of that county, if requested by the  
13 assessor, a landowner, or an owner of an intercounty public utility or  
14 private car company of that county, respectively, between the first and  
15 third Mondays of September. Prior to equalization of assessments  
16 pursuant to RCW 84.48.080 and after the third Monday of September, the  
17 department shall certify to each county assessor the real and personal  
18 property ratio for that county.

19 (4) The department of revenue shall also examine procedures used by  
20 the assessor to assess real and personal property in the county,  
21 including calculations, use of prescribed value schedules, and efforts  
22 to locate all taxable property in the county. If any examination by  
23 the department discloses other than market value is being listed as  
24 appraised value on the county assessment rolls of the county by the  
25 assessor and, after due notification by the department, is not  
26 corrected, the department of revenue shall, in accordance with rules  
27 adopted by the department, adjust the ratio of that type of property,  
28 which adjustment shall be used for determining the county's indicated  
29 ratio."

1       **"Sec. 12.** RCW 84.48.080 and 1990 c 283 s 1 are each amended to  
2 read as follows:

3       Annually during the months of September and October, the department  
4 of revenue shall examine and compare the returns of the assessment of  
5 the property in the several counties of the state, and the assessment  
6 of the property of railroad and other companies assessed by the  
7 department, and proceed to equalize the same, so that each county in  
8 the state shall pay its due and just proportion of the taxes for state  
9 purposes for such assessment year, according to the ratio the assessed  
10 valuation of the property in each county bears to the correct total  
11 assessed valuation of all property in the state.

12       First. The department shall classify all property, real and  
13 personal, and shall raise and lower the assessed valuation of any class  
14 of property in any county to a value that shall be equal, so far as  
15 possible, to the (~~true and fair~~) correct assessed value of such class  
16 as of January 1st of the current year, after determining the correct  
17 appraised value, and any adjustment applicable under section 5 of this  
18 act for the property, for the purpose of ascertaining the just amount  
19 of tax due from each county for state purposes. In equalizing personal  
20 property as of January 1st of the current year, the department shall  
21 use the assessment level of the preceding year. Such classification  
22 may be on the basis of types of property, geographical areas, or both.

23       Second. The department shall keep a full record of its proceedings  
24 and the same shall be published annually by the department.

25       The department shall levy the state taxes authorized by law:  
26 PROVIDED, That the amount levied in any one year for general state  
27 purposes shall not exceed the lawful dollar rate on the dollar of the  
28 assessed value of the property of the entire state(~~(, which assessed~~  
29 ~~value shall be one hundred percent of the true and fair value of such~~  
30 ~~property in money)) as equalized under this section. The department~~

1 shall apportion the amount of tax for state purposes levied by the  
2 department, among the several counties, in proportion to the assessed  
3 valuation of the taxable property of the county for the year as  
4 equalized by the department: PROVIDED, That for purposes of this  
5 apportionment, the department shall recompute the previous year's levy  
6 and the apportionment thereof to correct for changes and errors in  
7 taxable values reported to the department after October 1 of the  
8 preceding year and shall adjust the apportioned amount of the current  
9 year's state levy for each county by the difference between the  
10 apportioned amounts established by the original and revised levy  
11 computations for the previous year. For purposes of this section,  
12 changes in taxable values mean a final adjustment made by a county  
13 board of equalization, the state board of tax appeals, or a court of  
14 competent jurisdiction and shall include additions of omitted property,  
15 other additions or deletions from the assessment or tax rolls, or a  
16 change in the indicated ratio of a county. Errors in taxable values  
17 mean errors corrected by a final reviewing body.

18 The department shall have authority to adopt rules and regulations  
19 to enforce obedience to its orders in all matters in relation to the  
20 returns of county assessments, the equalization of values, and the  
21 apportionment of the state levy by the department.

22 After the completion of the duties hereinabove prescribed, the  
23 director of the department shall certify the record of the proceedings  
24 of the department under this section, the tax levies made for state  
25 purposes and the apportionment thereof among the counties, and the  
26 certification shall be available for public inspection."

27 "**Sec. 13.** RCW 84.12.270 and 1975 1st ex.s. c 278 s 165 are each  
28 amended to read as follows:



1       The department of revenue shall annually make an assessment of the  
2 operating property of all companies; and between the fifteenth day of  
3 March and the first day of July of each of said years shall prepare an  
4 assessment roll upon which it shall enter (~~and assess~~) the (~~true~~  
5 ~~cash~~) appraised and assessed values of all the operating property of  
6 each of such companies as of the first day of January of the year in  
7 which the assessment is made. For the purpose of determining the  
8 (~~true-cash~~) appraised value of such property the department of  
9 revenue may inspect the property belonging to said companies and may  
10 take into consideration any information or knowledge obtained by it  
11 from such examination and inspection of such property, or of the books,  
12 records and accounts of such companies, the statements filed as  
13 required by this chapter, the reports, statements or returns of such  
14 companies filed in the office of any board, office or commission of  
15 this state or any county thereof, the earnings and earning power of  
16 such companies, the franchises owned or used by such companies, the  
17 (~~assessed~~) valuation of any and all property of such companies,  
18 whether operating or nonoperating property, and whether situated within  
19 or outside the state, and any other facts, evidence or information that  
20 may be obtainable bearing upon the value of the operating property:  
21 PROVIDED, That in no event shall any statement or report required from  
22 any company by this chapter be conclusive upon the department of  
23 revenue in determining the amount, character and (~~true-cash~~) value of  
24 the operating property of such company."

25       **"Sec. 14.** RCW 84.12.310 and 1975 1st ex.s. c 278 s 167 are each  
26 amended to read as follows:

27       For the purpose of determining the system value of the operating  
28 property of any such company, the department of revenue shall deduct  
29 from the (~~actual-cash~~) assessed value of the total assets of such

1 company, the ((~~actual-cash~~)) assessed value of all nonoperating  
2 property owned by such company. For such purpose the department of  
3 revenue may require of the assessors of the various counties within  
4 this state a detailed list of such company's properties assessed by  
5 them, together with the assessable or assessed value thereof:  
6 PROVIDED, That such assessed or assessable value shall be advisory only  
7 and not conclusive on the department of revenue as to the value  
8 thereof."

9 "Sec. 15. RCW 84.12.330 and 1975 1st ex.s. c 278 s 168 are each  
10 amended to read as follows:

11 Upon the assessment roll shall be placed after the name of each  
12 company a general description of the operating property of the company,  
13 which shall be considered sufficient if described in the language of  
14 ((~~subdivision (17) of~~)) RCW 84.12.200(17), as applied to ((~~said~~)) the  
15 company, following which shall be entered the ((~~actual-cash~~)) appraised  
16 and assessed values of the operating property as determined by the  
17 department of revenue. No assessment shall be invalidated by reason of  
18 a mistake in the name of the company assessed, or the omission of the  
19 name of the owner or by the entry as owner of a name other than that of  
20 the true owner. When the department of revenue shall have prepared the  
21 assessment roll and entered thereon the ((~~actual-cash~~)) appraised and  
22 assessed values of the operating property of the company, as ((~~herein~~))  
23 required, it shall notify the company by mail of the valuation  
24 determined by it and entered upon ((~~said~~)) the roll."

25 "Sec. 16. RCW 84.12.350 and 1967 ex.s. c 26 s 17 are each amended  
26 to read as follows:

27 Upon determination by the department of revenue of the true and  
28 correct ((~~actual-cash~~)) assessed value of the property appearing on

1 such rolls it shall apportion such value to the respective counties  
2 entitled thereto, as hereinafter provided, and shall determine the  
3 equalized assessed valuation of such property in each such county and  
4 in the several taxing districts therein, by applying the county-  
5 indicated ratio to such actual apportioned value (~~the same ratio as~~  
6 ~~the ratio of assessed to actual value of the general property in such~~  
7 ~~county~~): PROVIDED, That, whenever the amount of the true and correct  
8 assessed value of the operating property of any company otherwise  
9 apportionable to any county or other taxing district shall be less than  
10 two hundred fifty dollars, such amount need not be apportioned to such  
11 county or taxing district but may be added to the amount apportioned to  
12 an adjacent county or taxing district."

13 "Sec. 17. RCW 84.12.360 and 1987 c 153 s 3 are each amended to  
14 read as follows:

15 The (~~actual cash~~) value of the operating property assessed to a  
16 company, as fixed and determined by the state board of equalization,  
17 shall be apportioned by the department of revenue to the respective  
18 counties and to the taxing districts thereof wherein such property is  
19 located in the following manner:

20 (1) Property of steam, suburban, and interurban railroad companies,  
21 telegraph companies and pipe line companies--upon the basis of that  
22 proportion of the value of the total operating property within the  
23 state which the mileage of track, as classified by the department of  
24 revenue (in case of railroads), mileage of wire (in the case of  
25 telegraph companies) and mileage of pipe line (in the case of pipe line  
26 companies) within each county or taxing district bears to the total  
27 mileage thereof within the state, at the end of the calendar year last  
28 past. For the purpose of such apportionment the department may  
29 classify railroad track.

1 (2) Property of street railroad companies, telephone companies,  
2 electric light and power companies, gas companies, water companies,  
3 heating companies and toll bridge companies--upon the basis of relative  
4 value of the operating property within each county and taxing district  
5 to the value of the total operating property within the state to be  
6 determined by such factors as the department of revenue shall deem  
7 proper.

8 (3) Planes or other aircraft of airplane companies and watercraft  
9 of steamboat companies--upon the basis of such factor or factors of  
10 allocation, to be determined by the department of revenue, as will  
11 secure a substantially fair and equitable division between counties and  
12 other taxing districts.

13 All other property of airplane companies and steamboat companies--  
14 upon the basis set forth in (~~subdivision~~) subsection (2) (~~hereof~~)  
15 of this section.

16 The basis of apportionment with reference to all public utility  
17 companies above prescribed shall not be deemed exclusive and the  
18 department of revenue in apportioning values of such companies may also  
19 take into consideration such other information, facts, circumstances,  
20 or allocation factors as will enable it to make a substantially just  
21 and correct valuation of the operating property of such companies  
22 within the state and within each county thereof."

23 "**Sec. 18.** RCW 84.16.040 and 1975 1st ex.s. c 278 s 179 are each  
24 amended to read as follows:

25 The department of revenue shall annually make an assessment of the  
26 operating property of each private car company; and between the first  
27 day of May and the first day of July of each of said years shall  
28 prepare an assessment roll upon which it shall enter (~~and assess~~) the  
29 (~~true cash~~) appraised and assessed values of all the operating

1 property of each of such companies as of the first day of January of  
2 the year in which the assessment is made. For the purpose of  
3 determining the (~~true-cash~~) appraised value of such property the  
4 department of revenue may take into consideration any information or  
5 knowledge obtained by it from an examination and inspection of such  
6 property, or of the books, records and accounts of such companies, the  
7 statements filed as required by this chapter, the reports, statements  
8 or returns of such companies filed in the office of any board, office  
9 or commission of this state or any county thereof, the earnings and  
10 earning power of such companies, the franchises owned or used by such  
11 companies, the (~~assessed~~) valuation of any and all property of such  
12 companies, whether operating property or nonoperating property, and  
13 whether situated within or without the state, and any other facts,  
14 evidences or information that may be obtainable bearing upon the value  
15 of the operating property: PROVIDED, That in no event shall any  
16 statement or report required from any company by this chapter be  
17 conclusive upon the department of revenue in determining the amount,  
18 character and (~~true-cash~~) value of the operating property of such  
19 company."

20 "Sec. 19. RCW 84.16.050 and 1975 1st ex.s. c 278 s 180 are each  
21 amended to read as follows:

22 The department of revenue may, in determining the (~~actual-cash~~)  
23 assessed value of the operating property to be placed on the assessment  
24 roll value the entire property as a unit. If the company owns, leases,  
25 operates or uses property partly within and partly without the state,  
26 the department of revenue may determine the value of the operating  
27 property within this state by the proportion that the value of such  
28 property bears to the value of the entire operating property of the  
29 company, both within and without this state. In determining the

1 operating property which is located within this state the department of  
2 revenue may consider and base such determination on the proportion  
3 which the number of car miles of the various classes of cars made in  
4 this state bears to the total number of car miles made by the same cars  
5 within and without this state, or to the total number of car miles made  
6 by all cars of the various classes within and without this state. If  
7 the value of the operating property of the company cannot be fairly  
8 determined in such manner the department of revenue may use any other  
9 reasonable and fair method to determine the value of the operating  
10 property of the company within this state."

11 "Sec. 20. RCW 84.16.090 and 1975 1st ex.s. c 278 s 181 are each  
12 amended to read as follows:

13 Upon the assessment roll shall be placed after the name of each  
14 company a general description of the operating property of the company,  
15 which shall be considered sufficient if described in the language of  
16 (~~subdivision (3) of~~) RCW 84.16.010(3) or otherwise, following which  
17 shall be entered the (~~actual cash~~) appraised and assessed values of  
18 the operating property as determined by the department of revenue. No  
19 assessment shall be invalid by a mistake in the name of the company  
20 assessed, by omission of the name of the owner or by the entry of a  
21 name other than that of the true owner. When the department of revenue  
22 shall have prepared the assessment roll and entered thereon the  
23 (~~actual cash~~) appraised and assessed values of the operating property  
24 of the company, as (~~herein~~) required, it shall notify the company by  
25 mail of the valuations determined by it and entered upon (~~said~~) the  
26 roll; and thereupon such assessed valuation shall become the (~~actual~~  
27 ~~cash~~) assessed value of the operating property of the company, subject  
28 to revision or correction by the state board of equalization as  
29 hereinafter provided; and shall be the valuation upon which, after

1 equalization by the state board of equalization as hereinafter  
2 provided, the taxes of such company shall be based and computed."

3 "Sec. 21. RCW 84.16.110 and 1967 ex.s. c 26 s 18 are each amended  
4 to read as follows:

5 Upon determination by the department of revenue of the true and  
6 correct ((~~actual-cash~~)) assessed value of the property appearing on  
7 such rolls the department shall apportion such value to the respective  
8 counties entitled thereto as hereinafter provided, and shall determine  
9 the equalized or assessed valuation of such property in such counties  
10 by applying the county-indicated ratio to such actual apportioned value  
11 ((~~the same ratio as the ratio of assessed to actual value of the~~  
12 ~~general property of the respective counties~~)): PROVIDED, That,  
13 whenever the amount of the true and correct assessed value of the  
14 operating property of any company otherwise apportionable to any county  
15 shall be less than two hundred fifty dollars, such amount need not be  
16 apportioned to such county but may be added to the amount apportioned  
17 to an adjacent county."

18 "Sec. 22. RCW 84.16.120 and 1961 c 15 s 84.16.120 are each amended  
19 to read as follows:

20 The ((~~actual-cash~~)) assessed value of the property of each company  
21 as fixed and determined by the state board of equalization as herein  
22 provided shall be apportioned to the respective counties in the  
23 following manner:

24 (1) If all the operating property of the company is situated  
25 entirely within a county and none of such property is located within,  
26 extends into, or through or is operated into or through any other  
27 county, the entire value thereof shall be apportioned to the county  
28 within which such property is situate, located and operated.

1 (2) If the operating property of any company is situated or located  
2 within, extends into or is operated into or through more than one  
3 county, the value thereof shall be apportioned to the respective  
4 counties into or through which its cars are operated in the proportion  
5 that the length of main line track of the respective railroads moving  
6 such cars in such counties bears to the total length of main line track  
7 of such respective railroads in this state.

8 (3) If the property of any company is of such character that it  
9 will not be reasonable, feasible or fair to apportion the value as  
10 hereinabove provided, the value thereof shall be apportioned between  
11 the respective counties into or through which such property extends or  
12 is operated or in which the same is located in such manner as may be  
13 reasonable, feasible and fair."

14 "Sec. 23. RCW 84.24.040 and 1975 1st ex.s. c 278 s 186 are each  
15 amended to read as follows:

16 A hearing shall be had at the time and place set forth in the  
17 notice provided for in RCW 84.24.030, and thereafter the department of  
18 revenue shall determine, as of the original assessment date, and in the  
19 manner provided by existing law, the ~~((cash market))~~ assessed value of  
20 the property in question ~~((, and the ratio between cash market value and  
21 assessed value of the other taxable property in the county where such  
22 property is located, and shall fix the equalized value of the property  
23 in question at that percentage of its cash market value as of the  
24 original assessment date, which the equalized assessed value of the  
25 general taxable property in the county where such reassessed property  
26 is located, bore to its cash market value))~~: PROVIDED, HOWEVER, That  
27 in case of a protest, complaint or petition based upon an alleged  
28 excessive assessment, the reassessment shall not exceed the original  
29 assessment."



1       **"Sec. 24.** RCW 84.36.041 and 1989 c 379 s 2 are each amended to  
2 read as follows:

3       (1) All real and personal property used by a nonprofit home for the  
4 aging that is reasonably necessary for the purposes of the home is  
5 exempt from taxation if the benefit of the exemption inures to the home  
6 and:

7       (a) At least fifty percent of the occupied dwelling units in the  
8 home are occupied by eligible residents; or

9       (b) The home is subsidized under a federal department of housing  
10 and urban development program. The department of revenue shall provide  
11 by rule a definition of homes eligible for exemption under this  
12 subsection (b), consistent with the purposes of this section.

13       (2) A home for the aging is eligible for a partial exemption if the  
14 home does not meet the requirements of subsection (1) of this section  
15 because fewer than fifty percent of the occupied dwelling units are  
16 occupied by eligible residents. The amount of exemption shall be  
17 calculated by multiplying the assessed value of the property reasonably  
18 necessary for the purposes of the home by a fraction. The numerator of  
19 the fraction is the number of dwelling units occupied by eligible  
20 persons multiplied by two. The denominator of the fraction is the  
21 total number of occupied dwelling units. The fraction shall never  
22 exceed one.

23       (3) To be exempt under this section, the property must be used  
24 exclusively for the purposes for which the exemption is granted, except  
25 as provided in RCW 84.36.805.

26       (4) A home for the aging is exempt from taxation only if the  
27 organization operating the home is exempt from income tax under section  
28 501(c) of the federal internal revenue code as existing on January 1,  
29 1989, or such subsequent date as the director may provide by rule  
30 consistent with the purposes of this section.

1 (5) Each eligible resident of a home for the aging shall submit the  
2 form required under RCW 84.36.385 to the county assessor by July 1st of  
3 the assessment year. An eligible resident who has filed a form for a  
4 previous year need not file a new form until there is a change in  
5 status affecting the person's eligibility.

6 (6) In determining the (~~true and fair~~) appraised value of a home  
7 for the aging for purposes of the partial exemption provided by  
8 subsection (2) of this section, the assessor shall apply the  
9 computation method provided by RCW 84.34.060 and shall consider only  
10 the use to which such property is applied during the years for which  
11 such partial exemptions are available and shall not consider potential  
12 uses of such property.

13 (7) A home for the aging that was exempt for taxes levied for  
14 collection in 1990 and is not fully exempt under this section is  
15 entitled to partial exemptions as follows:

16 (a) For taxes levied for collection in 1991, two-thirds of the  
17 assessed value that would otherwise be subject to tax under this  
18 section is exempt from taxation.

19 (b) For taxes levied for collection in 1992, one-third of the  
20 assessed value that would otherwise be subject to tax under this  
21 section is exempt from taxation.

22 (8) As used in this section:

23 (a) "Eligible resident" means a person who would be eligible for an  
24 exemption under RCW 84.36.381 if the person owned a single-family  
25 dwelling. For the purposes of determining eligibility under this  
26 section, a "cotenant" as used in RCW 84.36.383 means a person who  
27 resides with an eligible resident and who shares personal financial  
28 resources with the eligible resident.

29 (b) "Home for the aging" means a residential housing facility that  
30 (i) provides a housing arrangement chosen voluntarily by the resident,

1 the resident's guardian or conservator, or another responsible person;  
2 (ii) has only residents who are at least sixty-two years of age or who  
3 have needs for care generally compatible with persons who are at least  
4 sixty-two years of age; and (iii) provides varying levels of care and  
5 supervision, as agreed to at the time of admission or as determined  
6 necessary at subsequent times of reappraisal."

7       **"Sec. 25.** RCW 84.52.063 and 1973 1st ex.s. c 195 s 105 are each  
8 amended to read as follows:

9       A rural library district may impose a regular property tax levy in  
10 an amount equal to that which would be produced by a levy of fifty  
11 cents per thousand dollars of assessed value multiplied by an equalized  
12 assessed valuation (~~((equal to one hundred percent of the true and fair~~  
13 ~~value of the taxable property in the rural library district))~~), as  
14 determined by the department of revenue's indicated county ratio:  
15 PROVIDED, That when any county assessor shall find that the aggregate  
16 rate of levy on any property will exceed the limitation set forth in  
17 RCW 84.52.043 and ((RCW)) 84.52.050, as now or hereafter amended,  
18 before recomputing and establishing a consolidated levy in the manner  
19 set forth in RCW 84.52.010, the assessor shall first reduce the levy of  
20 any rural library district, by such amount as may be necessary, but the  
21 levy of any rural library district shall not be reduced to less than  
22 fifty cents per thousand dollars against the value of the taxable  
23 property, as determined by the county, prior to any further adjustments  
24 pursuant to RCW 84.52.010. For purposes of this section "regular  
25 property tax levy" shall mean a levy subject to the limitations  
26 provided for in Article VII, section 2 of the state Constitution and/or  
27 by statute."

1       **"Sec. 26.** RCW 84.70.010 and 1987 c 319 s 6 are each amended to  
2 read as follows:

3       (1) If, on or before December 31 in any calendar year, any real or  
4 personal property placed upon the assessment roll of that year is  
5 destroyed in whole or in part, or is in an area that has been declared  
6 a disaster area by the governor and has been reduced in value by more  
7 than twenty percent as a result of a natural disaster, the ((true  
8 cash)) assessed value of such property shall be reduced for that year  
9 by an amount determined as follows:

10       (a) First take the ((true-cash)) assessed value of such taxable  
11 property before destruction or reduction in value and deduct therefrom  
12 the true cash value of the remaining property after destruction or  
13 reduction in value.

14       (b) Then divide any amount remaining by the number of days in the  
15 year and multiply the quotient by the number of days remaining in the  
16 calendar year after the date of the destruction or reduction in value  
17 of the property.

18       (2) No reduction in the ((true-cash)) assessed value shall be made  
19 more than three years after the date of destruction or reduction in  
20 value.

21       (3) The assessor shall make such reduction on his or her own  
22 motion; however, the taxpayer may make application for reduction on  
23 forms prepared by the department and provided by the assessor. The  
24 assessor shall notify the taxpayer of the amount of reduction.

25       (4) If destroyed property is replaced prior to the valuation dates  
26 contained in RCW 36.21.080 and 36.21.090, the total taxable value for  
27 that year shall not exceed the value as of the appropriate valuation  
28 date in RCW 36.21.080 or 36.21.090, whichever is appropriate.

29       (5) The taxpayer may appeal the amount of reduction to the county  
30 board of equalization within thirty days of notification or July 15th

1 of the year of reduction, whichever is later. The board shall  
2 reconvene, if necessary, to hear the appeal."

3 "NEW SECTION. **Sec. 27.** This act applies to taxes levied in 1991  
4 for collection in 1992, and thereafter."

5 "NEW SECTION. **Sec. 28.** If any provision of this act or its  
6 application to any person or circumstance is held invalid, the  
7 remainder of the act or the application of the provision to other  
8 persons or circumstances is not affected."

9 "NEW SECTION. **Sec. 29.** This act is necessary for the immediate  
10 preservation of the public peace, health, or safety, or support of the  
11 state government and its existing public institutions, and shall take  
12 effect immediately."

13 **SHB 1300** - H AMD  
14 By Representative Wang

15  
16 On page 1, line 2 of the title, after "increases;" strike the  
17 remainder of the title and insert "amending RCW 84.04.030, 84.40.020,  
18 84.40.030, 84.40.040, 84.40.045, 84.41.041, 84.48.010, 84.48.065,  
19 84.48.075, 84.48.080, 84.12.270, 84.12.310, 84.12.330, 84.12.350,  
20 84.12.360, 84.16.040, 84.16.050, 84.16.090, 84.16.110, 84.16.120,  
21 84.24.040, 84.36.041, 84.52.063, and 84.70.010; adding a new section to  
22 chapter 84.04 RCW; adding a new section to chapter 84.40 RCW; creating  
23 a new section; and declaring an emergency."