

SENATE BILL REPORT

SB 5812

AS REPORTED BY COMMITTEE ON WAYS & MEANS, MARCH 8, 1991

Brief Description: Deferring interest and penalties on certain delinquent property taxes.

SPONSORS: Senators Williams and Wojahn.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5812 be substituted therefor, and the substitute bill do pass.

Signed by Senators McDonald, Chairman; Craswell, Vice Chairman; Bauer, Bluechel, Cantu, Gaspard, Hayner, Johnson, L. Kreidler, Metcalf, Murray, Niemi, Rinehart, Talmadge, West, Williams, and Wojahn.

Staff: Terry Wilson (786-7715)

Hearing Dates: February 27, 1991; March 8, 1991

BACKGROUND:

Property taxes are due on April 30 but may be paid in two installments. If one-half of the taxes are paid on April 30, the remaining one-half is due on October 31.

Delinquent taxes are subject to interest at 12 percent per year compounded monthly. In addition, a penalty of 3 percent is assessed on the amount of tax delinquent on May 31 and a penalty of 8 percent is assessed on the amount of tax delinquent on November 30.

SUMMARY:

Taxes payable in 1991 over 150 percent of taxes payable in 1990 are not delinquent and are not subject to interest and penalties until April 30, 1992.

EFFECT OF PROPOSED SUBSTITUTE:

Provisions on the payment of taxes on property shall be applied separately for the amount that 1991 taxes do not exceed 150 percent of 1990 taxes and for the remaining amount. No reimbursement for losses is made to local governments.

Appropriation: none

Revenue: none

Fiscal Note: available

Effective Date: The bill contains an emergency clause and takes effect immediately.

TESTIMONY FOR: None

TESTIMONY AGAINST: None

TESTIFIED: No one