

---

SENATE BILL 6003

---

State of Washington                      52nd Legislature    1991 1st Special Session  
By Senator Williams.

Read first time June 25, 1991. Referred to Committee on Ways & Means.

1            AN ACT Relating to the rate of interest for delinquent property  
2 taxes; amending RCW 84.56.020; providing an effective date; and  
3 declaring an emergency.

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

5            **Sec. 1.** RCW 84.56.020 and 1988 c 222 s 30 are each amended to read  
6 as follows:

7            The county treasurer shall be the receiver and collector of all  
8 taxes extended upon the tax rolls of the county, whether levied for  
9 state, county, school, bridge, road, municipal or other purposes, and  
10 also of all fines, forfeitures or penalties received by any person or  
11 officer for the use of his or her county. All taxes upon real and  
12 personal property made payable by the provisions of this title shall be  
13 due and payable to the treasurer as aforesaid on or before the  
14 thirtieth day of April and shall be delinquent after that date:  
15 PROVIDED, That each tax statement shall include a notice that checks

1 for payment of taxes may be made payable to "Treasurer of .....  
2 County" or other appropriate office, but tax statements shall not  
3 include any suggestion that checks may be made payable to the name of  
4 the individual holding the office of treasurer nor any other  
5 individual: PROVIDED FURTHER, That when the total amount of tax on  
6 personal property or on any lot, block or tract of real property  
7 payable by one person is thirty dollars or more, and if one-half of  
8 such tax be paid on or before the said thirtieth day of April, the  
9 remainder of such tax shall be due and payable on or before the thirty-  
10 first day of October following and shall be delinquent after that date:

11 PROVIDED FURTHER, That when the total amount of tax on any lot, block  
12 or tract of real property payable by one person is thirty dollars or  
13 more, and if one-half of such tax be paid after the thirtieth day of  
14 April but before the thirty-first day of October, together with the  
15 applicable interest and penalty on the full amount of such tax, the  
16 remainder of such tax shall be due and payable on or before the thirty-  
17 first day of October following and shall be delinquent after that date.

18 Delinquent taxes under this section are subject to a variable rate  
19 of interest ((at the rate of twelve percent per annum)) computed on a  
20 monthly basis from the date of delinquency until paid. For the  
21 purposes of this section, the rate of interest to be charged the  
22 taxpayer shall be an average of short-term federal rates plus two  
23 percentage points. The rate shall be computed by taking an  
24 arithmetical average to the nearest percentage point of the short-term  
25 federal rates for the months of January, April, July, and October as  
26 published by the United States secretary of the treasury. Interest  
27 shall be calculated at the rate in effect at the time of payment of the  
28 tax, regardless of when the taxes were first delinquent. In addition,  
29 delinquent taxes under this section are subject to penalties as  
30 follows:

1 (1) A penalty of three percent shall be assessed on the amount of  
2 tax delinquent on May 31st of the year in which the tax is due.

3 (2) An additional penalty of eight percent shall be assessed on the  
4 total amount of tax delinquent on November 30th of the year in which  
5 the tax is due.

6 (3) Penalties under this section shall not be assessed on taxes  
7 that were first delinquent prior to 1982.

8 For purposes of this chapter, "interest" means both interest and  
9 penalties.

10 All collections of interest on delinquent taxes shall be credited  
11 to the county current expense fund; but the cost of foreclosure and  
12 sale of real property, and the fees and costs of distraint and sale of  
13 personal property, for delinquent taxes, shall, when collected, be  
14 credited to the operation and maintenance fund of the county treasurer  
15 prosecuting the foreclosure or distraint or sale; and shall be used by  
16 the county treasurer as a revolving fund to defray the cost of further  
17 foreclosure, distraint and sale for delinquent taxes without regard to  
18 budget limitations.

19 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
20 preservation of the public peace, health, or safety, or support of the  
21 state government and its existing public institutions, and shall take  
22 effect July 1, 1991.