

2 SSB 5000 - S AMD - 041  
3 By Senator West

4 NOT ADOPTED 3/11/95; ROLL CALL 22-25

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

7 "Sec. 1. RCW 84.48.080 and 1994 c 301 s 43 are each amended to  
8 read as follows:

9 (1) Annually during the months of September and October, the  
10 department of revenue shall examine and compare the returns of the  
11 assessment of the property in the several counties of the state, and  
12 the assessment of the property of railroad and other companies assessed  
13 by the department, and proceed to equalize the same, so that each  
14 county in the state shall pay its due and just proportion of the taxes  
15 for state purposes for such assessment year, according to the ratio the  
16 valuation of the property in each county bears to the total valuation  
17 of all property in the state.

18 First. The department shall classify all property, real and  
19 personal, and shall raise and lower the valuation of any class of  
20 property in any county to a value that shall be equal, so far as  
21 possible, to the true and fair value of such class as of January 1st of  
22 the current year for the purpose of ascertaining the just amount of tax  
23 due from each county for state purposes. In equalizing personal  
24 property as of January 1st of the current year, the department shall  
25 use the assessment level of the preceding year. Such classification  
26 may be on the basis of types of property, geographical areas, or both.  
27 For purposes of this section, for each county that has not provided the  
28 department with an assessment return by December 1st, the department  
29 shall proceed, using facts and information and in a manner it deems  
30 appropriate, to estimate the value of each class of property in the  
31 county.

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

34 (2) The department shall levy the state taxes authorized by law(~~(+~~  
35 ~~PROVIDED, That~~)). The amount levied in any one year for general state  
36 purposes shall not exceed the lawful dollar rate on the dollar of the

1 assessed value of the property of the entire state, which assessed  
2 value shall be one hundred percent of the true and fair value of such  
3 property in money. The amount levied in any year shall be reduced by  
4 the amount that general fund--state revenues are forecast to be in  
5 excess of the state expenditure limit for the following fiscal year  
6 under chapter 43.135 RCW.

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

25 In addition to computing a levy under this subsection that is  
26 reduced by the amount that general fund--state revenues are forecast to  
27 be in excess of the state expenditure limit, the department shall  
28 compute a hypothetical levy without regard to the reduction. This  
29 hypothetical levy shall also be apportioned among the several counties  
30 in proportion to the valuation of the taxable property of the county  
31 for the year, as equalized by the department, in the same manner as the  
32 actual levy and shall be used by the county assessors for the purpose  
33 of recomputing and establishing a consolidated levy under RCW  
34 84.52.010.

35 (3) The department shall have authority to adopt rules and  
36 regulations to enforce obedience to its orders in all matters in  
37 relation to the returns of county assessments, the equalization of  
38 values, and the apportionment of the state levy by the department.

39 (4) After the completion of the duties ((hereinabove)) prescribed

1 in this section, the director of the department shall certify the  
2 record of the proceedings of the department under this section, the tax  
3 levies made for state purposes and the apportionment thereof among the  
4 counties, and the certification shall be available for public  
5 inspection.

6 **Sec. 2.** RCW 84.52.010 and 1994 c 124 s 36 are each amended to read  
7 as follows:

8 Except as is permitted under RCW 84.55.050, all taxes shall be  
9 levied or voted in specific amounts.

10 The rate percent of all taxes for state and county purposes, and  
11 purposes of taxing districts coextensive with the county, shall be  
12 determined, calculated and fixed by the county assessors of the  
13 respective counties, within the limitations provided by law, upon the  
14 assessed valuation of the property of the county, as shown by the  
15 completed tax rolls of the county, and the rate percent of all taxes  
16 levied for purposes of taxing districts within any county shall be  
17 determined, calculated and fixed by the county assessors of the  
18 respective counties, within the limitations provided by law, upon the  
19 assessed valuation of the property of the taxing districts  
20 respectively.

21 When a county assessor finds that the aggregate rate of tax levy on  
22 any property, that is subject to the limitations set forth in RCW  
23 84.52.043 or 84.52.050, (~~as now or hereafter amended,~~) exceeds the  
24 limitations provided in either of these sections, the assessor shall  
25 recompute and establish a consolidated levy in the following manner:

26 (1) The full certified rates of tax levy for state, county, county  
27 road district, and city or town purposes shall be extended on the tax  
28 rolls in amounts not exceeding the limitations established by law;  
29 however any state levy shall take precedence over all other levies and  
30 shall not be reduced for any purpose other than that required by RCW  
31 84.55.010; however, if as a result of the levies imposed under RCW  
32 84.52.069, 84.34.230, and 84.52.105, the combined rates of regular  
33 property tax levies exceed one percent of the true and fair value of  
34 any property, then the levies imposed under RCW 84.34.230 and  
35 84.52.105, and any portion of the levy imposed under RCW 84.52.069 that  
36 is in excess of thirty cents per thousand dollars of assessed value,  
37 shall be reduced on a pro rata basis or eliminated until the combined  
38 rates of regular property tax levies no longer exceed one percent of

1 the true and fair value of any property; and

2 (2) The certified rates of tax levy subject to these limitations by  
3 all junior taxing districts imposing taxes on such property shall be  
4 reduced or eliminated as follows to bring the consolidated levy of  
5 taxes on such property within the provisions of these limitations:

6 (a) First, the certified property tax levy rates of those junior  
7 taxing districts authorized under RCW 36.68.525, 36.69.145, and  
8 67.38.130 shall be reduced on a pro rata basis or eliminated;

9 (b) Second, if the consolidated tax levy rate still exceeds these  
10 limitations, the certified property tax levy rates of flood control  
11 zone districts shall be reduced on a pro rata basis or eliminated;

12 (c) Third, if the consolidated tax levy rate still exceeds these  
13 limitations, the certified property tax levy rates of all other junior  
14 taxing districts, other than fire protection districts, library  
15 districts, the first fifty cent per thousand dollars of assessed  
16 valuation levies for metropolitan park districts, and the first fifty  
17 cent per thousand dollars of assessed valuation levies for public  
18 hospital districts, shall be reduced on a pro rata basis or eliminated;

19 (d) Fourth, if the consolidated tax levy rate still exceeds these  
20 limitations, the certified property tax levy rates authorized to fire  
21 protection districts under RCW 52.16.140 and 52.16.160 shall be reduced  
22 on a pro rata basis or eliminated; and

23 (e) Fifth, if the consolidated tax levy rate still exceeds these  
24 limitations, the certified property tax levy rates authorized for fire  
25 protection districts under RCW 52.16.130, library districts,  
26 metropolitan park districts under their first fifty cent per thousand  
27 dollars of assessed valuation levy, and public hospital districts under  
28 their first fifty cent per thousand dollars of assessed valuation levy,  
29 shall be reduced on a pro rata basis or eliminated.

30 In determining whether the aggregate rate of tax levy on any  
31 property, that is subject to the limitations set forth in RCW  
32 84.52.050, exceeds the limitations provided in that section, the  
33 assessor shall use the hypothetical state levy, as apportioned to the  
34 county under RCW 84.48.080, that was computed under RCW 84.48.080  
35 without regard to the reduction in the levy for the amount that general  
36 fund--state revenues are forecast to be in excess of the state  
37 expenditure limit.

38 **Sec. 3.** RCW 84.55.092 and 1988 c 274 s 4 are each amended to read

1 as follows:

2 The regular property tax levy for each taxing district (~~other than~~  
3 ~~the state~~) may be set at the amount which would be allowed otherwise  
4 under this chapter if the regular property tax levy for the district  
5 for taxes due in prior years beginning with 1986 had been set at the  
6 full amount allowed under this chapter.

7 The purpose of this section is to remove the incentive for a taxing  
8 district to maintain its tax levy at the maximum level permitted under  
9 this chapter, and to protect the future levy capacity of a taxing  
10 district that reduces its tax levy below the level that it otherwise  
11 could impose under this chapter, by removing the adverse consequences  
12 to future levy capacities resulting from such levy reductions.

13 NEW SECTION. **Sec. 4.** This act applies to taxes levied in 1995 for  
14 collection in 1996 and thereafter."

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18 On page 1, line 1 of the title, after "reductions;" strike the  
19 remainder of the title and insert "amending RCW 84.48.080, 84.52.010,  
20 and 84.55.092; and creating a new section."

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