

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 2485

Chapter 296, Laws of 1996

54th Legislature
1996 Regular Session

PROPERTY TAX ASSESSMENTS--REDUCTION IN RESPONSE
TO GOVERNMENT RESTRICTIONS

EFFECTIVE DATE: 6/6/96

Passed by the House March 4, 1996
Yeas 94 Nays 0

CLYDE BALLARD
**Speaker of the
House of Representatives**

Passed by the Senate February 29, 1996
Yeas 47 Nays 0

JOEL PRITCHARD
President of the Senate

Approved March 30, 1996

MIKE LOWRY
Governor of the State of Washington

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2485** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN
Chief Clerk

FILED

March 30, 1996 - 4:30 p.m.

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2485

AS AMENDED BY THE SENATE

Passed Legislature - 1996 Regular Session

State of Washington 54th Legislature 1996 Regular Session

By House Committee on Government Operations (originally sponsored by Representatives H. Sommers, Rust, Reams, Scheuerman, Regala, Kessler, Costa, Chopp, Murray, Conway, Valle, Tokuda, Basich, Wolfe, Patterson, Dellwo and Linville)

Read first time 02/02/96.

1 AN ACT Relating to reducing property tax assessments in response to
2 government restrictions; and amending RCW 84.48.065 and 84.69.020.

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

4 **Sec. 1.** RCW 84.48.065 and 1992 c 206 s 12 are each amended to read
5 as follows:

6 (1) The county assessor or treasurer may cancel or correct
7 assessments on the assessment or tax rolls which are erroneous due to
8 manifest errors in description, double assessments, clerical errors in
9 extending the rolls, and such manifest errors in the listing of the
10 property which do not involve a revaluation of property, (~~such as~~)
11 except in the case that a taxpayer produces proof that an authorized
12 land use authority has made a definitive change in the property's land
13 use designation. In such a case, correction of the assessment or tax
14 rolls may be made notwithstanding the fact that the action involves a
15 revaluation of property. Manifest errors that do not involve a
16 revaluation of property include the assessment of property exempted by
17 law from taxation or the failure to deduct the exemption allowed by law
18 to the head of a family. When the county assessor cancels or corrects
19 an assessment, the assessor shall send a notice to the taxpayer in

1 accordance with RCW 84.40.045, advising the taxpayer that the action
2 has been taken and notifying the taxpayer of the right to appeal the
3 cancellation or correction to the county board of equalization, in
4 accordance with RCW 84.40.038. When the county assessor or treasurer
5 cancels or corrects an assessment, a record of such action shall be
6 prepared, setting forth therein the facts relating to the error. The
7 record shall also set forth by legal description all property belonging
8 exclusively to the state, any county, or any municipal corporation
9 whose property is exempt from taxation, upon which there remains,
10 according to the tax roll, any unpaid taxes. No manifest error
11 cancellation or correction, including a cancellation or correction made
12 due to a definitive change of land use designation, shall be made for
13 any period more than three years preceding the year in which the error
14 is discovered.

15 (2)(a) In the case of a definitive change of land use designation,
16 an assessor shall make corrections that involve a revaluation of
17 property to the assessment roll when:

18 (i) The assessor and taxpayer have signed an agreement as to the
19 true and fair value of the taxpayer's property setting forth in the
20 agreement the valuation information upon which the agreement is based;
21 and

22 (ii) The assessment roll has previously been certified in
23 accordance with RCW 84.40.320.

24 (b) In all other cases, an assessor shall make corrections that
25 involve a revaluation of property to the assessment roll when:

26 ~~((a))~~ (i) The assessor and taxpayer have signed an agreement as
27 to the true and fair value of the taxpayer's property setting forth in
28 the agreement the valuation information upon which the agreement is
29 based; and

30 ~~((b))~~ (ii) The following conditions are met:

31 ~~((i))~~ (A) The assessment roll has previously been certified in
32 accordance with RCW 84.40.320;

33 ~~((ii))~~ (B) The taxpayer has timely filed a petition with the
34 county board of equalization pursuant to RCW 84.40.038 for the current
35 assessment year;

36 ~~((iii))~~ (C) The county board of equalization has not yet held a
37 hearing on the merits of the taxpayer's petition.

38 (3) The assessor shall issue a supplementary roll or rolls
39 including such cancellations and corrections, and the assessment and

1 levy shall have the same force and effect as if made in the first
2 instance, and the county treasurer shall proceed to collect the taxes
3 due on the rolls as modified.

4 **Sec. 2.** RCW 84.69.020 and 1994 c 301 s 55 are each amended to read
5 as follows:

6 On the order of the county treasurer, ad valorem taxes paid before
7 or after delinquency shall be refunded if they were:

8 (1) Paid more than once; or

9 (2) Paid as a result of manifest error in description; or

10 (3) Paid as a result of a clerical error in extending the tax
11 rolls; or

12 (4) Paid as a result of other clerical errors in listing property;
13 or

14 (5) Paid with respect to improvements which did not exist on
15 assessment date; or

16 (6) Paid under levies or statutes adjudicated to be illegal or
17 unconstitutional; or

18 (7) Paid as a result of mistake, inadvertence, or lack of knowledge
19 by any person exempted from paying real property taxes or a portion
20 thereof pursuant to RCW 84.36.381 through 84.36.389, as now or
21 hereafter amended; or

22 (8) Paid as a result of mistake, inadvertence, or lack of knowledge
23 by either a public official or employee or by any person with respect
24 to real property in which the person paying the same has no legal
25 interest; or

26 (9) Paid on the basis of an assessed valuation which was appealed
27 to the county board of equalization and ordered reduced by the board;
28 or

29 (10) Paid on the basis of an assessed valuation which was appealed
30 to the state board of tax appeals and ordered reduced by the board:
31 PROVIDED, That the amount refunded under subsections (9) and (10) of
32 this section shall only be for the difference between the tax paid on
33 the basis of the appealed valuation and the tax payable on the
34 valuation adjusted in accordance with the board's order; or

35 (11) Paid as a state property tax levied upon property, the
36 assessed value of which has been established by the state board of tax
37 appeals for the year of such levy: PROVIDED, HOWEVER, That the amount
38 refunded shall only be for the difference between the state property

1 tax paid and the amount of state property tax which would, when added
2 to all other property taxes within the one percent limitation of
3 Article VII, section 2 of the state Constitution equal one percent of
4 the assessed value established by the board;

5 (12) Paid on the basis of an assessed valuation which was
6 adjudicated to be unlawful or excessive: PROVIDED, That the amount
7 refunded shall be for the difference between the amount of tax which
8 was paid on the basis of the valuation adjudged unlawful or excessive
9 and the amount of tax payable on the basis of the assessed valuation
10 determined as a result of the proceeding; or

11 (13) Paid on property acquired under RCW 84.60.050, and canceled
12 under RCW 84.60.050(2); or

13 (14) Paid on the basis of an assessed valuation that was reduced
14 under section 1 of this act.

15 No refunds under the provisions of this section shall be made
16 because of any error in determining the valuation of property, except
17 as authorized in subsections (9), (10), (11), and (12) of this section
18 nor may any refunds be made if a bona fide purchaser has acquired
19 rights that would preclude the assessment and collection of the
20 refunded tax from the property that should properly have been charged
21 with the tax. Any refunds made on delinquent taxes shall include the
22 proportionate amount of interest and penalties paid. The county
23 treasurer may deduct from moneys collected for the benefit of the
24 state's levy, refunds of the state levy including interest on the levy
25 as provided by this section and chapter 84.68 RCW.

26 The county treasurer of each county shall make all refunds
27 determined to be authorized by this section, and by the first Monday in
28 January of each year, report to the county legislative authority a list
29 of all refunds made under this section during the previous year. The
30 list is to include the name of the person receiving the refund, the
31 amount of the refund, and the reason for the refund.

Passed the House March 4, 1996.

Passed the Senate February 29, 1996.

Approved by the Governor March 30, 1996.

Filed in Office of Secretary of State March 30, 1996.