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**SUBSTITUTE HOUSE BILL 1518**

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**State of Washington                      58th Legislature                      2003 Regular Session**

**By** House Committee on Finance (originally sponsored by Representatives Carrell, Kirby, McIntire, Dunshee, Schindler, Sommers, Miloscia, Cooper, Fromhold, Sehlin, Simpson and Santos)

READ FIRST TIME 03/10/03.

1            AN ACT Relating to voter-approved increases in excess of the  
2 property tax revenue limit; and amending RCW 84.55.050.

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

4            **Sec. 1.** RCW 84.55.050 and 1989 c 287 s 1 are each amended to read  
5 as follows:

6            (1) Subject to any otherwise applicable statutory dollar rate  
7 limitations, regular property taxes may be levied by or for a taxing  
8 district in an amount exceeding the limitations provided for in this  
9 chapter if such levy is authorized by a proposition approved by a  
10 majority of the voters of the taxing district voting on the proposition  
11 at a general election held within the district or at a special election  
12 within the taxing district called by the district for the purpose of  
13 submitting such proposition to the voters. Any election held pursuant  
14 to this section shall be held not more than twelve months prior to the  
15 date on which the proposed levy is to be made, except as provided in  
16 subsection (3)(b) of this section. The ballot of the proposition shall  
17 state the dollar rate proposed and shall clearly state any conditions  
18 which are applicable under subsection (3) of this section.

1 (2) After a levy authorized pursuant to this section is made, the  
2 dollar amount of such levy shall be used for the purpose of computing  
3 the limitations for subsequent levies provided for in this chapter,  
4 except as provided in subsections (3) and (4) of this section.

5 (3) A proposition placed before the voters under this section may:

6 (a) Limit the period for which the increased levy is to be made;

7 (b) Authorize annual increases in levies for multiple consecutive  
8 years, up to six consecutive years, during which period each year's  
9 authorized maximum legal levy shall be used as the base upon which an  
10 increased levy limit for the succeeding year is computed, but the  
11 ballot proposition must state the dollar rate proposed only for the  
12 first year of the consecutive years and must state the limit factor, or  
13 a specified index to be used for determining a limit factor, such as  
14 the consumer price index, which need not be the same for all years, by  
15 which the regular tax levy for the district may be increased in each of  
16 the subsequent consecutive years;

17 (c) Limit the purpose for which the increased levy is to be made,  
18 but if the limited purpose includes making redemption payments on  
19 bonds, the period for which the increased levies are made shall not  
20 exceed nine years;

21 ~~((e))~~(d) Set the levy at a rate less than the maximum rate  
22 allowed for the district;

23 (e) Provide that the maximum allowable dollar amount of the final  
24 annual levy of the period specified in the measure shall be used to  
25 compute the limitations provided for in this chapter on levy increases  
26 occurring after the expiration of the period; or

27 ~~((d))~~(f) Include any combination of the conditions in this  
28 subsection.

29 (4) Except as otherwise provided in an approved ballot measure  
30 under this section, after the expiration of a limited period or the  
31 satisfaction of a limited purpose, whichever comes first, subsequent  
32 levies shall be computed as if:

33 (a) The limited proposition under subsection (3) of this section  
34 had not been approved; and

35 (b) The taxing district had made levies at the maximum rates which  
36 would otherwise have been allowed under this chapter during the years

1 levies were made under the limited proposition.

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