
SUBSTITUTE SENATE BILL 6141

State of Washington 59th Legislature 2006 Regular Session

By Senate Committee on Water, Energy & Environment (originally sponsored by Senator Honeyford)

READ FIRST TIME 1/19/2006.

1 AN ACT Relating to including the value of electric generation wind
2 turbine facilities in the property tax levy limit calculation; and
3 amending RCW 84.55.010, 84.55.015, 84.55.020, 84.55.030, 84.55.080, and
4 84.55.120.

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

6 **Sec. 1.** RCW 84.55.010 and 1997 c 3 s 202 are each amended to read
7 as follows:

8 Except as provided in this chapter, the levy for a taxing district
9 in any year shall be set so that the regular property taxes payable in
10 the following year shall not exceed the limit factor multiplied by the
11 amount of regular property taxes lawfully levied for such district in
12 the highest of the three most recent years in which such taxes were
13 levied for such district plus an additional dollar amount calculated by
14 multiplying the increase in assessed value in that district resulting
15 from new construction, increases in assessed value due to construction
16 of electric generation wind turbine facilities classified as personal
17 property, improvements to property, and any increase in the assessed
18 value of state-assessed property by the regular property tax levy rate
19 of that district for the preceding year.

1 **Sec. 2.** RCW 84.55.015 and 1999 c 96 s 1 are each amended to read
2 as follows:

3 If a taxing district has not levied since 1985 and elects to
4 restore a regular property tax levy subject to applicable statutory
5 limitations then such first restored levy shall be set so that the
6 regular property tax payable shall not exceed the amount which was last
7 levied, plus an additional dollar amount calculated by multiplying the
8 increase in assessed value in the district since the last levy
9 resulting from new construction (~~and~~), increases in assessed value
10 due to construction of electric generation wind turbine facilities
11 classified as personal property, improvements to property, and any
12 increase in the assessed value of state-assessed property by the
13 property tax rate which is proposed to be restored, or the maximum
14 amount which could be lawfully levied in the year such a restored levy
15 is proposed.

16 **Sec. 3.** RCW 84.55.020 and 1997 c 3 s 203 are each amended to read
17 as follows:

18 Notwithstanding the limitation set forth in RCW 84.55.010, the
19 first levy for a taxing district created from consolidation of similar
20 taxing districts shall be set so that the regular property taxes
21 payable in the following year shall not exceed the limit factor
22 multiplied by the sum of the amount of regular property taxes lawfully
23 levied for each component taxing district in the highest of the three
24 most recent years in which such taxes were levied for such district
25 plus the additional dollar amount calculated by multiplying the
26 increase in assessed value in each component district resulting from
27 new construction (~~and~~), increases in assessed value due to
28 construction of electric generation wind turbine facilities classified
29 as personal property, improvements to property, and any increase in the
30 assessed value of state-assessed property by the regular property tax
31 rate of each component district for the preceding year.

32 **Sec. 4.** RCW 84.55.030 and 1973 1st ex.s. c 195 s 107 are each
33 amended to read as follows:

34 For the first levy for a taxing district following annexation of
35 additional property, the limitation set forth in RCW 84.55.010 shall be
36 increased by an amount equal to (1) the aggregate assessed valuation of

1 the newly annexed property as shown by the current completed and
2 balanced tax rolls of the county or counties within which such property
3 lies, multiplied by (2) the dollar rate that would have been used by
4 the annexing unit in the absence of such annexation, plus (3) the
5 additional dollar amount calculated by multiplying the increase in
6 assessed value in the annexing district resulting from new
7 constructions (~~and~~), increases in assessed value due to construction
8 of electric generation wind turbine facilities classified as personal
9 property, improvements to property, and any increase in the assessed
10 value of state-assessed property by the regular property tax levy rate
11 of that annexing taxing district for the preceding year.

12 **Sec. 5.** RCW 84.55.080 and 1982 1st ex.s. c 42 s 12 are each
13 amended to read as follows:

14 Pursuant to chapter 39.88 RCW, any increase in the assessed value
15 of real property within an apportionment district resulting from new
16 construction, increases in assessed value due to construction of
17 electric generation wind turbine facilities classified as personal
18 property, improvements to property, or any increase in the assessed
19 value of state-assessed property shall not be included in the increase
20 in assessed value resulting from new construction, increases in
21 assessed value due to construction of electric generation wind turbine
22 facilities classified as personal property, improvements, or any
23 increase in the assessed value of state-assessed property for purposes
24 of calculating any limitations upon regular property taxes under this
25 chapter until the termination of apportionment as set forth in RCW
26 39.88.070(4), as now or hereafter amended, except to the extent a
27 taxing district actually will receive the taxes levied upon this value.
28 Tax allocation revenues, as defined in RCW 39.88.020, as now or
29 hereafter amended, shall not be deemed to be "regular property taxes"
30 for purposes of this chapter.

31 **Sec. 6.** RCW 84.55.120 and 1997 c 3 s 209 are each amended to read
32 as follows:

33 A taxing district, other than the state, that collects regular
34 levies shall hold a public hearing on revenue sources for the
35 district's following year's current expense budget. The hearing must
36 include consideration of possible increases in property tax revenues

1 and shall be held prior to the time the taxing district levies the
2 taxes or makes the request to have the taxes levied. The county
3 legislative authority, or the taxing district's governing body if the
4 district is a city, town, or other type of district, shall hold the
5 hearing. For purposes of this section, "current expense budget" means
6 that budget which is primarily funded by taxes and charges and reflects
7 the provision of ongoing services. It does not mean the capital,
8 enterprise, or special assessment budgets of cities, towns, counties,
9 or special purpose districts.

10 If the taxing district is otherwise required to hold a public
11 hearing on its proposed regular tax levy, a single public hearing may
12 be held on this matter.

13 No increase in property tax revenue, other than that resulting from
14 the addition of new construction, increases in assessed value due to
15 construction of electric generation wind turbine facilities classified
16 as personal property, and improvements to property and any increase in
17 the value of state-assessed property, may be authorized by a taxing
18 district, other than the state, except by adoption of a separate
19 ordinance or resolution, pursuant to notice, specifically authorizing
20 the increase in terms of both dollars and percentage. The ordinance or
21 resolution may cover a period of up to two years, but the ordinance
22 shall specifically state for each year the dollar increase and
23 percentage change in the levy from the previous year.

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