

CERTIFICATION OF ENROLLMENT

**ENGROSSED SUBSTITUTE SENATE BILL 5836**

Chapter 285, Laws of 2007

60th Legislature  
2007 Regular Session

TAXING DISTRICTS

EFFECTIVE DATE: 07/22/07

Passed by the Senate April 16, 2007  
YEAS 49 NAYS 0

BRAD OWEN

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**President of the Senate**

Passed by the House April 6, 2007  
YEAS 97 NAYS 0

FRANK CHOPP

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**Speaker of the House of Representatives**

Approved May 2, 2007, 3:00 p.m.

CHRISTINE GREGOIRE

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**Governor of the State of Washington**

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5836** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

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**Secretary**

FILED

May 3, 2007

**Secretary of State  
State of Washington**

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ENGROSSED SUBSTITUTE SENATE BILL 5836

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AS AMENDED BY THE HOUSE

Passed Legislature - 2007 Regular Session

State of Washington                      60th Legislature                      2007 Regular Session

By Senate Committee on Government Operations Elections (originally sponsored by Senators Fairley, Roach, Kline and Pridemore)

READ FIRST TIME 02/28/07.

1            AN ACT Relating to the determination of boundaries for taxing  
2 districts; and amending RCW 35.13.270, 35A.14.801, and 84.09.030.

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

4            **Sec. 1.** RCW 35.13.270 and 2001 c 299 s 2 are each amended to read  
5 as follows:

6            (1) Whenever any territory is annexed to a city or town which is  
7 part of a road district of the county and road district taxes have been  
8 levied but not collected on any property within the annexed territory,  
9 the same shall when collected by the county treasurer be paid to the  
10 city or town and by the city or town placed in the city or town street  
11 fund; except that road district taxes that are delinquent before the  
12 date of annexation shall be paid to the county and placed in the county  
13 road fund. ((This section shall))

14            (2) When territory that is part of a fire district is annexed to a  
15 city or town, the following apply:

16            (a) Fire district taxes on annexed property that were levied, but  
17 not collected, and were not delinquent at the time of the annexation  
18 shall, when collected, be paid to the annexing city or town at times

1 required by the county, but no less frequently than by July 10th for  
2 collections through June 30th and January 10th for collections through  
3 December 31st following the annexation; and

4 (b) Fire district taxes on annexed property that were levied, but  
5 not collected, and were delinquent at the time of the annexation and  
6 the pro rata share of the current year levy budgeted for general  
7 obligation debt, when collected, shall be paid to the fire district.

8 (3) When territory that is part of a library district is annexed to  
9 a city or town, the following apply:

10 (a) Library district taxes on annexed property that were levied,  
11 but not collected, and were not delinquent at the time of the  
12 annexation shall, when collected, be paid to the annexing city or town  
13 at times required by the county, but no less frequently than by July  
14 10th for collections through June 30th and January 10th for collections  
15 through December 31st following the annexation; and

16 (b) Library district taxes on annexed property that were levied,  
17 but not collected, and were delinquent at the time of the annexation  
18 and the pro rata share of the current year levy budgeted for general  
19 obligation debt, when collected, shall be paid to the library district.

20 (4) Subsections (1) through (3) of this section do not apply to any  
21 special assessments due in behalf of such property.

22 (5) If a city or town annexes property within a fire district or  
23 library district while any general obligation bond secured by the  
24 taxing authority of the district is outstanding, the bonded  
25 indebtedness of the fire district or library district remains an  
26 obligation of the taxable property annexed as if the annexation had not  
27 occurred.

28 (6) The city or town is required to provide notification, by  
29 certified mail, that includes a list of annexed parcel numbers, to the  
30 county treasurer and assessor, and to the fire district and library  
31 district, as appropriate, at least thirty days before the effective  
32 date of the annexation. The county treasurer is only required to remit  
33 to the city or town those road taxes, fire district taxes, and library  
34 district taxes collected thirty days or more after receipt of the  
35 notification.

36 (7)(a) In counties that do not have a boundary review board, the  
37 city or town shall provide notification to the fire district or library

1 district of the jurisdiction's resolution approving the annexation.

2 The notification required under this subsection must:

3 (i) Be made by certified mail within seven days of the resolution  
4 approving the annexation; and

5 (ii) Include a description of the annexed area.

6 (b) In counties that have a boundary review board, the city or town  
7 shall provide notification of the proposed annexation to the fire  
8 district or library district simultaneously when notice of the proposed  
9 annexation is provided by the jurisdiction to the boundary review board  
10 under RCW 36.93.090.

11 (8) The provisions of this section regarding (a) the transfer of  
12 fire and library district property taxes and (b) city and town  
13 notifications to fire and library districts do not apply if the city or  
14 town has been annexed to and is within the fire or library district  
15 when the city or town approves a resolution to annex unincorporated  
16 county territory.

17 **Sec. 2.** RCW 35A.14.801 and 2001 c 299 s 3 are each amended to read  
18 as follows:

19 (1) Whenever any territory is annexed to a code city which is part  
20 of a road district of the county and road district taxes have been  
21 levied but not collected on any property within the annexed territory,  
22 the same shall when collected by the county treasurer be paid to the  
23 code city and by the city placed in the city street fund; except that  
24 road district taxes that are delinquent before the date of annexation  
25 shall be paid to the county and placed in the county road fund. ((This  
26 section shall))

27 (2) When territory that is part of a fire district is annexed to a  
28 code city, the following apply:

29 (a) Fire district taxes on annexed property that were levied, but  
30 not collected, and were not delinquent at the time of the annexation  
31 shall, when collected, be paid to the annexing code city at times  
32 required by the county, but no less frequently than by July 10th for  
33 collections through June 30th and January 10th for collections through  
34 December 31st following the annexation; and

35 (b) Fire district taxes on annexed property that were levied, but  
36 not collected, and were delinquent at the time of the annexation and

1 the pro rata share of the current year levy budgeted for general  
2 obligation debt, when collected, shall be paid to the fire district.

3 (3) When territory that is part of a library district is annexed to  
4 a code city, the following apply:

5 (a) Library district taxes on annexed property that were levied,  
6 but not collected, and were not delinquent at the time of the  
7 annexation shall, when collected, be paid to the annexing code city at  
8 times required by the county, but no less frequently than by July 10th  
9 for collections through June 30th and January 10th for collections  
10 through December 31st following the annexation; and

11 (b) Library district taxes on annexed property that were levied,  
12 but not collected, and were delinquent at the time of the annexation  
13 and the pro rata share of the current year levy budgeted for general  
14 obligation debt, when collected, shall be paid to the library district.

15 (4) Subsections (1) through (3) of this section do not apply to any  
16 special assessments due in behalf of such property.

17 (5) If a code city annexes property within a fire district or  
18 library district while any general obligation bond secured by the  
19 taxing authority of the district is outstanding, the bonded  
20 indebtedness of the fire district or library district remains an  
21 obligation of the taxable property annexed as if the annexation had not  
22 occurred.

23 (6) The code city is required to provide notification, by certified  
24 mail, that includes a list of annexed parcel numbers, to the county  
25 treasurer and assessor, and to the fire district and library district,  
26 as appropriate, at least thirty days before the effective date of the  
27 annexation. The county treasurer is only required to remit to the code  
28 city those road taxes, fire district taxes, and library district taxes  
29 collected thirty or more days after receipt of the notification.

30 (7)(a) In counties that do not have a boundary review board, the  
31 code city shall provide notification to the fire district or library  
32 district of the jurisdiction's resolution approving the annexation.  
33 The notification required under this subsection must:

34 (i) Be made by certified mail within seven days of the resolution  
35 approving the annexation; and

36 (ii) Include a description of the annexed area.

37 (b) In counties that have a boundary review board, the code city  
38 shall provide notification of the proposed annexation to the fire

1 district or library district simultaneously when notice of the proposed  
2 annexation is provided by the jurisdiction to the boundary review board  
3 under RCW 36.93.090.

4 (8) The provisions of this section regarding (a) the transfer of  
5 fire and library district property taxes and (b) code city  
6 notifications to fire and library districts do not apply if the code  
7 city has been annexed to and is within the fire or library district  
8 when the code city approves a resolution to annex unincorporated county  
9 territory.

10 **Sec. 3.** RCW 84.09.030 and 2004 c 129 s 19 are each amended to read  
11 as follows:

12 Except as follows, the boundaries of counties, cities, and all  
13 other taxing districts, for purposes of property taxation and the levy  
14 of property taxes, shall be the established official boundaries of such  
15 districts existing on the first day of (~~March~~) August of the year in  
16 which the property tax levy is made.

17 The official boundaries of a newly incorporated taxing district  
18 shall be established at a different date in the year in which the  
19 incorporation occurred as follows:

20 (1) Boundaries for a newly incorporated city shall be established  
21 on the last day of March of the year in which the initial property tax  
22 levy is made, and the boundaries of a road district, library district,  
23 or fire protection district or districts, that include any portion of  
24 the area that was incorporated within its boundaries shall be altered  
25 as of this date to exclude this area, if the budget for the newly  
26 incorporated city is filed pursuant to RCW 84.52.020 and the levy  
27 request of the newly incorporated city is made pursuant to RCW  
28 84.52.070. Whenever a proposed city incorporation is on the March  
29 special election ballot, the county auditor shall submit the legal  
30 description of the proposed city to the department of revenue on or  
31 before the first day of March;

32 (2) Boundaries for a newly incorporated port district or regional  
33 fire protection service authority shall be established on the first day  
34 of October if the boundaries of the newly incorporated port district or  
35 regional fire protection service authority are coterminous with the  
36 boundaries of another taxing district or districts, as they existed on  
37 the first day of March of that year;

1 (3) Boundaries of any other newly incorporated taxing district  
2 shall be established on the first day of June of the year in which the  
3 property tax levy is made if the taxing district has boundaries  
4 coterminous with the boundaries of another taxing district, as they  
5 existed on the first day of March of that year;

6 (4) Boundaries for a newly incorporated water-sewer district shall  
7 be established on the fifteenth of June of the year in which the  
8 proposition under RCW 57.04.050 authorizing a water district excess  
9 levy is approved.

10 The boundaries of a taxing district shall be established on the  
11 first day of June if territory has been added to, or removed from, the  
12 taxing district after the first day of March of that year with  
13 boundaries coterminous with the boundaries of another taxing district  
14 as they existed on the first day of March of that year. However, the  
15 boundaries of a road district, library district, or fire protection  
16 district or districts, that include any portion of the area that was  
17 annexed to a city or town within its boundaries shall be altered as of  
18 this date to exclude this area. In any case where any instrument  
19 setting forth the official boundaries of any newly established taxing  
20 district, or setting forth any change in such boundaries, is required  
21 by law to be filed in the office of the county auditor or other county  
22 official, said instrument shall be filed in triplicate. The officer  
23 with whom such instrument is filed shall transmit two copies to the  
24 county assessor.

25 No property tax levy shall be made for any taxing district whose  
26 boundaries are not established as of the dates provided in this  
27 section.

Passed by the Senate April 16, 2007.

Passed by the House April 6, 2007.

Approved by the Governor May 2, 2007.

Filed in Office of Secretary of State May 3, 2007.