S-2041.1

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**SUBSTITUTE SENATE BILL 5276**

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**State of Washington 64th Legislature 2015 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senators Kohl-Welles, Roach, and Keiser)

AN ACT Relating to refunds of property taxes paid as a result of manifest errors in descriptions of property; and amending RCW 84.69.030, 84.48.065, and 84.68.150.

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

**Sec.**  RCW 84.69.030 and 2014 c 16 s 1 are each amended to read as follows:

(1) Except as provided in this section, no orders for a refund under this chapter may be made except on a claim:

(a) Verified by the person who paid the tax, the person's guardian, executor, or administrator; and

(b) Filed with the county treasurer within three years after the due date of the payment sought to be refunded; and

(c) Stating the statutory ground upon which the refund is claimed.

(2) No claim for an order of refund is required for a refund that is based upon:

(a) An order of the board of equalization, state board of tax appeals, or court of competent jurisdiction justifying a refund under RCW 84.69.020 (9) through (12);

(b) A decision by the treasurer or assessor that is rendered within three years after the due date of the payment to be refunded, justifying a refund under RCW 84.69.020; or

(c) A decision by the assessor or department approving an exemption application that is filed under chapter 84.36 RCW within three years after the due date of the payment to be refunded.

(3) A county legislative authority may authorize a refund on a claim filed more than three years after the due date of the payment sought to be refunded if the claim arises from taxes paid as a result of a manifest error in a description of property.

**Sec.**  RCW 84.48.065 and 2001 c 187 s 23 are each amended to read as follows:

(1) The county assessor or treasurer may cancel or correct assessments on the assessment or tax rolls which are erroneous due to manifest errors in description, double assessments, clerical errors in extending the rolls, and such manifest errors in the listing of the property ((~~which~~)) that do not involve a revaluation of property, except in the case that a taxpayer produces proof that an authorized land use authority has made a definitive change in the property's land use designation. In such a case, correction of the assessment or tax rolls may be made notwithstanding the fact that the action involves a revaluation of property. Manifest errors that do not involve a revaluation of property include the assessment of property exempted by law from taxation or the failure to deduct the exemption allowed by law to the head of a family. When the county assessor cancels or corrects an assessment, the assessor ((~~shall~~)) must send a notice to the taxpayer in accordance with RCW 84.40.045, advising the taxpayer that the action has been taken and notifying the taxpayer of the right to appeal the cancellation or correction to the county board of equalization, in accordance with RCW 84.40.038. When the county assessor or treasurer cancels or corrects an assessment, a record of ((~~such~~)) the action ((~~shall~~)) must be prepared, setting forth therein the facts relating to the error. The record ((~~shall~~)) must also set forth by legal description all property belonging exclusively to the state, any county, or any municipal corporation whose property is exempt from taxation, upon which there remains, according to the tax roll, any unpaid taxes. No manifest error cancellation or correction, including a cancellation or correction made due to a definitive change of land use designation, ((~~shall~~)) must be made for any period more than three years preceding the year in which the error is discovered unless authorized by a county legislative authority.

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

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

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

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

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

(ii) The following conditions are met:

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

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

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

(3) The assessor ((~~shall~~)) must issue a supplementary roll or rolls including such cancellations and corrections, and the assessment and levy ((~~shall~~)) have the same force and effect as if made in the first instance, and the county treasurer ((~~shall~~)) must proceed to collect the taxes due on the rolls as modified.

**Sec.**  RCW 84.68.150 and 2013 c 23 s 380 are each amended to read as follows:

No petition for cancellation or reduction of assessment or correction of tax rolls and the refund of taxes based thereon under RCW 84.68.110 through 84.68.150 ((~~shall~~)) may be considered unless filed within three years after the year in which the tax became payable or purported to become payable, unless the reduction or correction is the result of a manifest error and the county legislative authority authorizes a longer period for a refund of the claim. The maximum refund under the authority of RCW 84.68.110 through 84.68.150 for each year involved in the taxpayer's petition ((~~shall be~~)) is two hundred dollars. Should the amount of excess tax for any such year be in excess of two hundred dollars, a refund of two hundred dollars ((~~shall~~)) must be allowed under RCW 84.68.110 through 84.68.150, without prejudice to the right of the taxpayer to proceed as may be otherwise provided by law to recover the balance of the excess tax paid by him or her.

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