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SENATE BILL 5654

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State of Washington

64th Legislature

2015 Regular Session

By Senators Dansel and Benton

Read first time 01/28/15. Referred to Committee on Government Operations & Security.

1 AN ACT Relating to partial payment of current and delinquent  
2 taxes to the county treasurer; amending RCW 84.56.020; and repealing  
3 2014 c 13 s 3 (uncodified).

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

5 **Sec. 1.** RCW 84.56.020 and 2014 c 13 s 1 are each amended to read  
6 as follows:

7 (1) The county treasurer must be the receiver and collector of  
8 all taxes extended upon the tax rolls of the county, whether levied  
9 for state, county, school, bridge, road, municipal or other purposes,  
10 and also of all fines, forfeitures or penalties received by any  
11 person or officer for the use of his or her county. No treasurer may  
12 accept tax payments or issue receipts for the same until the  
13 treasurer has completed the tax roll for the current year's  
14 collection and provided notification of the completion of the roll.  
15 Notification may be accomplished electronically, by posting a notice  
16 in the office, or through other written communication as determined  
17 by the treasurer. All taxes upon real and personal property made  
18 payable by the provisions of this title are due and payable to the  
19 treasurer on or before the thirtieth day of April and, except as  
20 provided in this section, (~~shall be~~) are delinquent after that  
21 date.

1 (2) Each tax statement must include a notice that checks for  
2 payment of taxes may be made payable to "Treasurer of . . . . .  
3 County" or other appropriate office, but tax statements may not  
4 include any suggestion that checks may be made payable to the name of  
5 the individual holding the office of treasurer nor any other  
6 individual.

7 (3) When the total amount of tax or special assessments on  
8 personal property or on any lot, block or tract of real property  
9 payable by one person is fifty dollars or more, and if one-half of  
10 such tax be paid on or before the thirtieth day of April, the  
11 remainder of such tax is due and payable on or before the thirty-  
12 first day of October following and (~~shall be~~) is delinquent after  
13 that date.

14 (4) When the total amount of tax or special assessments on any  
15 lot, block or tract of real property or on any mobile home payable by  
16 one person is fifty dollars or more, and if one-half of such tax be  
17 paid after the thirtieth day of April but before the thirty-first day  
18 of October, together with the applicable interest and penalty on the  
19 full amount of tax payable for that year, the remainder of such tax  
20 is due and payable on or before the thirty-first day of October  
21 following and is delinquent after that date.

22 (5) Except as provided in (c) of this subsection, delinquent  
23 taxes under this section are subject to interest at the rate of  
24 twelve percent per annum computed on a monthly basis on the amount of  
25 tax delinquent from the date of delinquency until paid. Interest must  
26 be calculated at the rate in effect at the time of payment of the  
27 tax, regardless of when the taxes were first delinquent. In addition,  
28 delinquent taxes under this section are subject to penalties as  
29 follows:

30 (a) A penalty of three percent of the amount of tax delinquent is  
31 assessed on the tax delinquent on June 1st of the year in which the  
32 tax is due.

33 (b) An additional penalty of eight percent is assessed on the  
34 amount of tax delinquent on December 1st of the year in which the tax  
35 is due.

36 (c) If a taxpayer is successfully participating in a payment  
37 agreement under subsection (11)(b) of this section, the county  
38 treasurer may not assess additional penalties on delinquent taxes  
39 that are included within the payment agreement. Interest and

1 penalties that have been assessed prior to the payment agreement  
2 remain due and payable as provided in the payment agreement.

3 (6)(a) When real property taxes become delinquent and prior to  
4 the filing of the certificate of delinquency, the treasurer is  
5 authorized to assess and collect tax foreclosure avoidance costs.

6 (b) For the purposes of this section, "tax foreclosure avoidance  
7 costs" means those costs that can be identified specifically with the  
8 administration of properties subject to and prior to foreclosure. Tax  
9 foreclosure avoidance costs include:

10 (i) Compensation of employees for the time devoted and identified  
11 specifically to administering the avoidance of property foreclosure;  
12 and

13 (ii) The cost of materials, services, or equipment acquired,  
14 consumed, or expended specifically for the purpose of administering  
15 tax foreclosure avoidance prior to the filing of a certificate of  
16 delinquency.

17 (c) When tax foreclosure avoidance costs are collected, the tax  
18 foreclosure avoidance costs must be credited to the county treasurer  
19 service fund account, except as otherwise directed.

20 (d) For purposes of chapter 84.64 RCW, any taxes, interest, or  
21 penalties deemed delinquent under this section remain delinquent  
22 until such time as all taxes, interest, and penalties for the tax  
23 year in which the taxes were first due and payable have been paid in  
24 full.

25 (7) Subsection (5) of this section notwithstanding, no interest  
26 or penalties may be assessed during any period of armed conflict on  
27 delinquent taxes imposed on the personal residences owned by active  
28 duty military personnel who are participating as part of one of the  
29 branches of the military involved in the conflict and assigned to a  
30 duty station outside the territorial boundaries of the United States.

31 (8) During a state of emergency declared under RCW 43.06.010(12),  
32 the county treasurer, on his or her own motion or at the request of  
33 any taxpayer affected by the emergency, may grant extensions of the  
34 due date of any taxes payable under this section as the treasurer  
35 deems proper.

36 (9) For purposes of this chapter, "interest" means both interest  
37 and penalties.

38 (10) All collections of interest on delinquent taxes must be  
39 credited to the county current expense fund; but the cost of  
40 foreclosure and sale of real property, and the fees and costs of

1   distrain and sale of personal property, for delinquent taxes, must,  
2   when collected, be credited to the operation and maintenance fund of  
3   the county treasurer prosecuting the foreclosure or distraint or  
4   sale; and must be used by the county treasurer as a revolving fund to  
5   defray the cost of further foreclosure, distraint and sale for  
6   delinquent taxes without regard to budget limitations.

7       (11)(a) For purposes of this chapter, and in accordance with this  
8   section and RCW 36.29.190, the treasurer may collect taxes,  
9   assessments, fees, rates, interest, and charges by electronic bill  
10  presentment and payment. Electronic bill presentment and payment may  
11  be utilized as an option by the taxpayer, but the treasurer may not  
12  require the use of electronic bill presentment and payment.  
13  Electronic bill presentment and payment may be on a monthly or other  
14  periodic basis as the treasurer deems proper for delinquent tax year  
15  payments only or for prepayments of current tax. All prepayments must  
16  be paid in full by the due date specified in (c) of this subsection.  
17  Payments on past due taxes must include collection of the oldest  
18  delinquent year, which includes interest and taxes within a  
19  twelve-month period, prior to filing a certificate of delinquency  
20  under chapter 84.64 RCW or distraint pursuant to RCW 84.56.070.

21       (b) The treasurer must provide, by electronic means or otherwise,  
22  a payment agreement that provides for payment of current year taxes,  
23  inclusive of prepayment collection charges. The treasurer may  
24  provide, by electronic means or otherwise, a payment agreement for  
25  payment of past due delinquencies, which must also require current  
26  year taxes to be paid timely. The payment agreement must be signed by  
27  the taxpayer and treasurer prior to the sending of an electronic or  
28  alternative bill, which includes a payment plan for current year  
29  taxes. The treasurer may accept partial payment of current and  
30  delinquent taxes including interest and penalties using (~~electronic~~  
31  ~~bill presentment and payments~~) any method the treasurer authorizes.

32       (c) All taxes upon real and personal property made payable by the  
33  provisions of this title are due and payable to the treasurer on or  
34  before the thirtieth day of April and are delinquent after that date.  
35  The remainder of the tax is due and payable on or before the thirty-  
36  first day of October following and is delinquent after that date. All  
37  other assessments, fees, rates, and charges are delinquent after the  
38  due date.

39       (d) A county treasurer may authorize payment of past due property  
40  taxes, penalties, and interest under this chapter by electronic funds

1 transfer payments on a monthly basis. Delinquent taxes are subject to  
2 interest and penalties, as provided in subsection (5) of this  
3 section.

4 (e) The treasurer must pay any collection costs, investment  
5 earnings, or both on past due payments or prepayments to the credit  
6 of a county treasurer service fund account to be created and used  
7 only for the payment of expenses incurred by the treasurer, without  
8 limitation, in administering the system for collecting prepayments.

9 (12) For purposes of this section unless the context clearly  
10 requires otherwise, the following definitions apply:

11 (a) "Electronic bill presentment and payment" means statements,  
12 invoices, or bills that are created, delivered, and paid using the  
13 internet. The term includes an automatic electronic payment from a  
14 person's checking account, debit account, or credit card.

15 (b) "Internet" has the same meaning as provided in RCW  
16 19.270.010.

17 NEW SECTION. **Sec. 2.** 2014 c 13 s 3 (uncodified) is repealed.

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