
SENATE BILL 5057

State of Washington 61st Legislature 2009 Regular Session

By Senator Rockefeller

Read first time 01/12/09. Referred to Committee on Ways & Means.

1 AN ACT Relating to limiting the rate of increase of property
2 valuations; amending RCW 84.04.030, 84.40.020, 84.40.030, 84.40.040,
3 84.40.045, 84.41.041, 84.48.010, 84.48.065, 84.48.075, 84.48.080,
4 84.12.280, 84.12.310, 84.12.330, 84.12.350, 84.12.360, 84.16.040,
5 84.16.050, 84.16.090, 84.16.110, 84.16.120, 84.36.041, 84.52.063, and
6 84.70.010; adding a new section to chapter 84.04 RCW; adding a new
7 section to chapter 84.40 RCW; creating a new section; and providing a
8 contingent effective date.

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

10 NEW SECTION. **Sec. 1.** The intent of this act is to provide
11 property tax relief by limiting valuation increases until ownership of
12 the property changes.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 84.04 RCW
14 to read as follows:

15 "Appraised value of property" means the aggregate true and fair
16 value of the property as determined by the county assessor according to
17 the revaluation program approved under chapter 84.41 RCW, and including
18 revaluations based on statistical data between physical inspections.

1 **Sec. 3.** RCW 84.04.030 and 2001 c 187 s 2 are each amended to read
2 as follows:

3 "Assessed value of property" shall be held and construed to mean
4 the aggregate valuation of the property subject to taxation by any
5 taxing district (~~as~~) under section 6 of this act, reduced by the
6 value of any applicable exemptions under RCW 84.36.381 or any other
7 law, and placed on the last completed and balanced tax rolls of the
8 county preceding the date of any tax levy.

9 **Sec. 4.** RCW 84.40.020 and 2005 c 274 s 364 are each amended to
10 read as follows:

11 All real property in this state subject to taxation shall be listed
12 and assessed every year, with reference to its appraised and assessed
13 value on the first day of January of the year in which it is assessed.
14 Such listing and all supporting documents and records shall be open to
15 public inspection during the regular office hours of the assessor's
16 office(~~(:—PROVIDED, That)~~). However, confidential income data is
17 hereby exempted from public inspection as noted in RCW 42.56.070 and
18 (~~(42.56.210)~~) 42.56.230. All personal property in this state subject
19 to taxation shall be listed and assessed every year, with reference to
20 its value and ownership on the first day of January of the year in
21 which it is assessed(~~(:—PROVIDED, That)~~). However, if the stock of
22 goods, wares, merchandise or material, whether in a raw or finished
23 state or in process of manufacture, owned or held by any taxpayer on
24 January 1 of any year does not fairly represent the average stock
25 carried by such taxpayer, such stock shall be listed and assessed upon
26 the basis of the monthly average of stock owned or held by such
27 taxpayer during the preceding calendar year or during such portion
28 thereof as the taxpayer was engaged in business.

29 **Sec. 5.** RCW 84.40.030 and 2007 c 301 s 2 are each amended to read
30 as follows:

31 All personal property shall be valued at one hundred percent of its
32 true and fair value in money and assessed on the same basis unless
33 specifically provided otherwise by law.

34 All real property shall be appraised at one hundred percent of its
35 true and fair value in money and assessed as provided in section 6 of
36 this act unless specifically provided otherwise by law.

1 Taxable leasehold estates shall be valued at such price as they
2 would bring at a fair, voluntary sale for cash without any deductions
3 for any indebtedness owed including rentals to be paid.

4 The true and fair value of real property for taxation purposes
5 (including property upon which there is a coal or other mine, or stone
6 or other quarry) shall be based upon the following criteria:

7 (1) Any sales of the property being appraised or similar properties
8 with respect to sales made within the past five years. The appraisal
9 shall be consistent with the comprehensive land use plan, development
10 regulations under chapter 36.70A RCW, zoning, and any other
11 governmental policies or practices in effect at the time of appraisal
12 that affect the use of property, as well as physical and environmental
13 influences. An assessment may not be determined by a method that
14 assumes a land usage or highest and best use not permitted, for that
15 property being appraised, under existing zoning or land use planning
16 ordinances or statutes or other government restrictions. The appraisal
17 shall also take into account: (a) In the use of sales by real estate
18 contract as similar sales, the extent, if any, to which the stated
19 selling price has been increased by reason of the down payment,
20 interest rate, or other financing terms; and (b) the extent to which
21 the sale of a similar property actually represents the general
22 effective market demand for property of such type, in the geographical
23 area in which such property is located. Sales involving deed releases
24 or similar seller-developer financing arrangements shall not be used as
25 sales of similar property.

26 (2) In addition to sales as defined in subsection (1) of this
27 section, consideration may be given to cost, cost less depreciation,
28 reconstruction cost less depreciation, or capitalization of income that
29 would be derived from prudent use of the property, as limited by law or
30 ordinance. Consideration should be given to any agreement, between an
31 owner of rental housing and any government agency, that restricts
32 rental income, appreciation, and liquidity; and to the impact of
33 government restrictions on operating expenses and on ownership rights
34 in general of such housing. In the case of property of a complex
35 nature, or being used under terms of a franchise from a public agency,
36 or operating as a public utility, or property not having a record of
37 sale within five years and not having a significant number of sales of
38 similar property in the general area, the provisions of this subsection

1 shall be the dominant factors in valuation. When provisions of this
2 subsection are relied upon for establishing values the property owner
3 shall be advised upon request of the factors used in arriving at such
4 value.

5 (3) In valuing any tract or parcel of real property, the true and
6 fair value of the land, exclusive of structures thereon shall be
7 determined; also the true and fair value of structures thereon, but the
8 appraised valuation shall not exceed the true and fair value of the
9 total property as it exists. In valuing agricultural land, growing
10 crops shall be excluded.

11 NEW SECTION. **Sec. 6.** A new section is added to chapter 84.40 RCW
12 to read as follows:

13 (1) The definitions in this subsection apply throughout this
14 section unless the context clearly requires otherwise.

15 (a) "Previous assessed value" means the assessed value for the year
16 immediately preceding the year for which a calculation is being made
17 under this section.

18 (b) "Current appraised value" means the appraised value for the
19 year for which a calculation is being made under this section.

20 (c) "Improvement increase" means the portion of the total value
21 increase attributable to any physical improvements made to the property
22 since the previous assessment, other than improvements exempt under RCW
23 84.36.400 for the year for which a calculation is being made under this
24 section. Improvement increase can never be less than zero.

25 (d) "Change of ownership" and "transfer of ownership" are
26 equivalent, and mean a transfer of a present interest in real property,
27 including a transfer of the beneficial use of real property.

28 (i) "Change of ownership" and "transfer of ownership" include,
29 except as provided in (d)(ii) of this subsection:

30 (A) Contracting to convey the title to or ownership of real
31 property upon the fulfillment of one or more stated conditions if the
32 right to possession of the property is transferred currently;

33 (B) The creation, transfer, or termination of a joint tenancy
34 interest;

35 (C) The creation, transfer, or termination of a tenancy-in-common
36 interest;

1 (D) The vesting of a right of possession or enjoyment of a
2 remainder or reversionary interest that occurs upon the termination of
3 a life estate or other similar precedent property interest;

4 (E) An interest that vests in persons other than the trustor if a
5 revocable trust becomes irrevocable; and

6 (F) The transfer of stock of a cooperative housing corporation,
7 vested with legal title to real property that conveys to the transferee
8 the exclusive right to occupancy and possession of the property or a
9 portion of the property.

10 (ii) "Change of ownership" does not include:

11 (A) A transfer between co-owners that results in a change in the
12 method of holding title to the real property transferred without
13 changing the proportional interests of the co-owners in the real
14 property, such as a partition of a tenancy in common;

15 (B) A transfer for the purpose of merely perfecting title to the
16 real property;

17 (C) The creation, assignment, termination, or reconveyance of a
18 security interest in real property, or the substitution of a trustee
19 under a security instrument;

20 (D) A transfer of real property by the trustor, or by the trustor's
21 spouse, or by both, into a trust for so long as the transferor is the
22 sole present beneficiary of the trust, or the trust is revocable, or
23 any transfer of real property by a trustee of such trust back to the
24 trustor;

25 (E) A transfer of real property by an instrument whose terms
26 reserve to the transferor an estate for years or an estate for life.
27 However, the termination of such an estate for years or life estate
28 shall constitute a change of ownership;

29 (F) A transfer of real property between or among the same parties
30 for the purpose of correcting or reforming a deed to express the true
31 intention of the parties, if the original relationship between the
32 grantor and grantee is not changed; or

33 (G) An interspousal transfer of real property, including, but not
34 limited to:

35 (I) Transfers to a trustee for the beneficial use of a spouse, or
36 the surviving spouse of a deceased transferor, or by a trustee of the
37 trust to the spouse of the trustor;

38 (II) Transfers that take effect upon the death of a spouse;

1 (III) Transfers to a spouse or former spouse in connection with a
2 property settlement agreement or decree of dissolution of marriage or
3 legal separation; and

4 (IV) The creation, transfer, or termination, solely between
5 spouses, of any co-owner's interest.

6 (2) The assessed value of property, other than property that has
7 changed or transferred ownership since the last assessment, is equal to
8 the lesser of the current appraised value or the previous assessed
9 value plus ten percent, plus any improvement increase.

10 (3) Upon the loss of preferential tax treatment for property that
11 qualifies for preferential tax treatment under chapter 84.14, 84.26,
12 84.33, 84.34, 84.36, or 84.37 RCW, the previous assessed value is the
13 assessed value the property would have had without the preferential tax
14 treatment.

15 **Sec. 7.** RCW 84.40.040 and 2003 c 302 s 1 are each amended to read
16 as follows:

17 The assessor shall begin the preliminary work for each assessment
18 not later than the first day of December of each year in all counties
19 in the state. The assessor shall also complete the duties of listing
20 and placing valuations on all property by May 31st of each year, except
21 that the listing and valuation of construction and mobile homes under
22 RCW 36.21.080 and 36.21.090 shall be completed by August 31st of each
23 year, and in the following manner, to wit:

24 The assessor shall actually determine as nearly as practicable the
25 true and fair value of each tract or lot of land listed for taxation
26 and of each improvement located thereon and shall enter as the
27 appraised value one hundred percent of the true and fair value of such
28 land and (~~value of such~~) improvements, together with the total of
29 such one hundred percent valuations, opposite each description of
30 property on the assessment list and tax roll. The assessor shall
31 determine the assessed value, under section 6 of this act, for each
32 tract or lot of land listed for taxation, including improvements
33 located thereon, and shall also enter this value opposite each
34 description of property on the assessment list and tax roll.

35 The assessor shall make an alphabetical list of the names of all
36 persons in the county liable to assessment of personal property, and
37 require each person to make a correct list and statement of such

1 property according to the standard form prescribed by the department of
2 revenue, which statement and list shall include, if required by the
3 form, the year of acquisition and total original cost of personal
4 property in each category of the prescribed form. However, the
5 assessor may list and value improvements on publicly owned land in the
6 same manner as real property is listed and valued, including
7 conformance with the revaluation program required under chapter 84.41
8 RCW. Such list and statement shall be filed on or before the last day
9 of April. The assessor shall on or before the 1st day of January of
10 each year mail, or electronically transmit, a notice to all such
11 persons at their last known address that such statement and list is
12 required. This notice must be accompanied by the form on which the
13 statement or list is to be made. The notice mailed, or electronically
14 transmitted, by the assessor to each taxpayer each year shall, if
15 practicable, include the statement and list of personal property of the
16 taxpayer for the preceding year. Upon receipt of such statement and
17 list the assessor shall thereupon determine the true and fair value of
18 the property included in such statement and enter one hundred percent
19 of the same on the assessment roll opposite the name of the party
20 assessed; and in making such entry in the assessment list, the assessor
21 shall give the name and post office address of the party listing the
22 property, and if the party resides in a city the assessor shall give
23 the street and number or other brief description of the party's
24 residence or place of business. The assessor may, after giving written
25 notice of the action to the person to be assessed, add to the
26 assessment list any taxable property which should be included in such
27 list.

28 **Sec. 8.** RCW 84.40.045 and 2001 c 187 s 19 are each amended to read
29 as follows:

30 The assessor shall give notice of any change in the (~~true and~~
31 ~~fair~~) assessed value of real property for the tract or lot of land and
32 any improvements thereon no later than thirty days after appraisal(~~(+~~
33 ~~PROVIDED, That~~)). However, no such notice shall be mailed during the
34 period from January 15 to February 15 of each year(~~(+~~
35 ~~FURTHER, That~~)) and no notice need be sent with respect to changes in
36 valuation of forest land made pursuant to chapter 84.33 RCW.

1 The notice shall contain a statement of both the prior and the new
2 (~~true and fair~~) appraised and assessed values, stating separately
3 land and improvement appraised values, and a brief statement of the
4 procedure for appeal to the board of equalization and the time, date,
5 and place of the meetings of the board.

6 The notice shall be mailed by the assessor to the taxpayer.

7 If any taxpayer, as shown by the tax rolls, holds solely a security
8 interest in the real property which is the subject of the notice,
9 pursuant to a mortgage, contract of sale, or deed of trust, such
10 taxpayer shall, upon written request of the assessor, supply, within
11 thirty days of receipt of such request, to the assessor the name and
12 address of the person making payments pursuant to the mortgage,
13 contract of sale, or deed of trust, and thereafter such person shall
14 also receive a copy of the notice provided for in this section.
15 Willful failure to comply with such request within the time limitation
16 provided for herein shall make such taxpayer subject to a maximum civil
17 penalty of five thousand dollars. The penalties provided for herein
18 shall be recoverable in an action by the county prosecutor, and when
19 recovered shall be deposited in the county current expense fund. The
20 assessor shall make the request provided for by this section during the
21 month of January.

22 **Sec. 9.** RCW 84.41.041 and 2001 c 187 s 21 are each amended to read
23 as follows:

24 Each county assessor shall cause taxable real property to be
25 physically inspected and valued at least once every six years in
26 accordance with RCW 84.41.030, and in accordance with a plan filed with
27 and approved by the department of revenue. Such revaluation plan shall
28 provide that a reasonable portion of all taxable real property within
29 a county shall be revalued and these newly-determined values placed on
30 the assessment rolls each year. The department may approve a plan that
31 provides that all property in the county be revalued every two years.
32 If the revaluation plan provides for physical inspection at least once
33 each four years, during the intervals between each physical inspection
34 of real property, the appraised valuation of such property may be
35 adjusted to its current true and fair value, such adjustments to be
36 based upon appropriate statistical data. If the revaluation plan
37 provides for physical inspection less frequently than once each four

1 years, during the intervals between each physical inspection of real
2 property, the appraised valuation of such property shall be adjusted to
3 its current true and fair value, such adjustments to be made once each
4 year and to be based upon appropriate statistical data. If the
5 appraised valuation is changed, the assessed value shall be
6 recalculated under section 6 of this act.

7 The assessor may require property owners to submit pertinent data
8 respecting taxable property in their control including data respecting
9 any sale or purchase of said property within the past five years, the
10 cost and characteristics of any improvement on the property and other
11 facts necessary for appraisal of the property.

12 **Sec. 10.** RCW 84.48.010 and 2001 c 187 s 22 are each amended to
13 read as follows:

14 Prior to July 15th, the county legislative authority shall form a
15 board for the equalization of the assessment of the property of the
16 county. The members of said board shall receive a per diem amount as
17 set by the county legislative authority for each day of actual
18 attendance of the meeting of the board of equalization to be paid out
19 of the current expense fund of the county(~~(+—PROVIDED, That)~~).
20 However, when the county legislative authority constitute the board
21 they shall only receive their compensation as members of the county
22 legislative authority. The board of equalization shall meet in open
23 session for this purpose annually on the 15th day of July and, having
24 each taken an oath fairly and impartially to perform their duties as
25 members of such board, they shall examine and compare the returns of
26 the assessment of the property of the county and proceed to equalize
27 the same, so that the appraised value of each tract or lot of real
28 property and each article or class of personal property shall be
29 entered on the assessment list at its true and fair value, according to
30 the measure of value used by the county assessor in such assessment
31 year, (~~(which is presumed to be correct under RCW 84.40.0301)~~) and so
32 that the assessed value of each tract or lot of real property is
33 entered on the assessment list and its correct amount, and subject to
34 the following rules:

35 First. They shall raise the appraised valuation of each tract or
36 lot or item of real property which is returned below its true and fair
37 value to such price or sum as to be the true and fair value thereof and

1 raise the assessed valuation of each tract or lot or item of real
2 property which is returned below its correct amount to the correct
3 amount, after at least five days' notice shall have been given in
4 writing to the owner or agent.

5 Second. They shall reduce the appraised valuation of each tract or
6 lot or item which is returned above its true and fair value to such
7 price or sum as to be the true and fair value thereof and reduce the
8 assessed valuation of each tract or lot or item of real property which
9 is returned above its correct amount to the correct amount.

10 Third. They shall raise the valuation of each class of personal
11 property which is returned below its true and fair value to such price
12 or sum as to be the true and fair value thereof, and they shall raise
13 the aggregate value of the personal property of each individual
14 whenever the aggregate value is less than the true valuation of the
15 taxable personal property possessed by such individual, to such sum or
16 amount as to be the true value thereof, after at least five days'
17 notice shall have been given in writing to the owner or agent thereof.

18 Fourth. They shall reduce the valuation of each class of personal
19 property enumerated on the detail and assessment list of the current
20 year, which is returned above its true and fair value, to such price or
21 sum as to be the true and fair value thereof; and they shall reduce the
22 aggregate valuation of the personal property of such individual who has
23 been assessed at too large a sum to such sum or amount as was the true
24 and fair value of the personal property.

25 Fifth. The board may review all claims for either real or personal
26 property tax exemption as determined by the county assessor, and shall
27 consider any taxpayer appeals from the decision of the assessor thereon
28 to determine (1) if the taxpayer is entitled to an exemption, and (2)
29 if so, the amount thereof.

30 The clerk of the board shall keep an accurate journal or record of
31 the proceedings and orders of said board showing the facts and evidence
32 upon which their action is based, and the said record shall be
33 published the same as other proceedings of county legislative
34 authority, and shall make a true record of the changes of the
35 descriptions and (~~assessed~~) appraised values ordered by the county
36 board of equalization. The assessor shall recalculate assessed values
37 and correct the real and personal assessment rolls in accordance with
38 the changes made by the said county board of equalization, and the

1 assessor shall make duplicate abstracts of such corrected values, one
2 copy of which shall be retained in the office, and one copy forwarded
3 to the department of revenue on or before the eighteenth day of August
4 next following the meeting of the county board of equalization.

5 The county board of equalization shall meet on the 15th day of July
6 and may continue in session and adjourn from time to time during a
7 period not to exceed four weeks, but shall remain in session not less
8 than three days(~~(+PROVIDED, That)~~). However, the county board of
9 equalization with the approval of the county legislative authority may
10 convene at any time when petitions filed exceed twenty-five, or ten
11 percent of the number of appeals filed in the preceding year, whichever
12 is greater.

13 No taxes, except special taxes, shall be extended upon the tax
14 rolls until the property valuations are equalized by the department of
15 revenue for the purpose of raising the state revenue.

16 County legislative authorities as such shall at no time have any
17 authority to change the valuation of the property of any person or to
18 release or commute in whole or in part the taxes due on the property of
19 any person.

20 **Sec. 11.** RCW 84.48.065 and 2001 c 187 s 23 are each amended to
21 read as follows:

22 (1) The county assessor or treasurer may cancel or correct
23 assessments on the assessment or tax rolls which are erroneous due to
24 manifest errors in description, double assessments, clerical errors in
25 extending the rolls, clerical errors in calculating the assessed value
26 under section 6 of this act, and such manifest errors in the listing of
27 the property which do not involve a revaluation of property, except in
28 the case that a taxpayer produces proof that an authorized land use
29 authority has made a definitive change in the property's land use
30 designation. In such a case, correction of the assessment or tax rolls
31 may be made notwithstanding the fact that the action involves a
32 revaluation of property. Manifest errors that do not involve a
33 revaluation of property include the assessment of property exempted by
34 law from taxation or the failure to deduct the exemption allowed by law
35 to the head of a family. When the county assessor cancels or corrects
36 an assessment, the assessor shall send a notice to the taxpayer in
37 accordance with RCW 84.40.045, advising the taxpayer that the action

1 has been taken and notifying the taxpayer of the right to appeal the
2 cancellation or correction to the county board of equalization, in
3 accordance with RCW 84.40.038. When the county assessor or treasurer
4 cancels or corrects an assessment, a record of such action shall be
5 prepared, setting forth therein the facts relating to the error. The
6 record shall also set forth by legal description all property belonging
7 exclusively to the state, any county, or any municipal corporation
8 whose property is exempt from taxation, upon which there remains,
9 according to the tax roll, any unpaid taxes. No manifest error
10 cancellation or correction, including a cancellation or correction made
11 due to a definitive change of land use designation, shall be made for
12 any period more than three years preceding the year in which the error
13 is discovered.

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

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

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

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

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

29 (ii) The following conditions are met:

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

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

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

37 (3) The assessor shall issue a supplementary roll or rolls
38 including such cancellations and corrections, and the assessment and

1 levy shall have the same force and effect as if made in the first
2 instance, and the county treasurer shall proceed to collect the taxes
3 due on the rolls as modified.

4 **Sec. 12.** RCW 84.48.075 and 2001 c 187 s 24 are each amended to
5 read as follows:

6 (1) The department of revenue shall annually, prior to the first
7 Monday in September, determine and submit to each assessor a
8 preliminary indicated ratio for each county(~~(+PROVIDED, That)~~). The
9 department shall establish rules and regulations pertinent to the
10 determination of the indicated ratio, the indicated real property
11 ratio, and the indicated personal property ratio(~~(+PROVIDED FURTHER,~~
12 ~~That)~~). These rules and regulations may provide that data, as is
13 necessary for said determination, which is available from the county
14 assessor of any county and which has been audited as to its validity by
15 the department, shall be utilized by the department in determining the
16 indicated ratio.

17 (2) To such extent as is reasonable, the department may define use
18 classes of property for the purposes of determination of the indicated
19 ratio. Such use classes may be defined with respect to property use
20 and may include agricultural, open space, timber and forest lands.

21 (3) The department shall review each county's preliminary ratio
22 with the assessor, a landowner, or an owner of an intercounty public
23 utility or private car company of that county, if requested by the
24 assessor, a landowner, or an owner of an intercounty public utility or
25 private car company of that county, respectively, between the first and
26 third Mondays of September. Prior to equalization of assessments
27 pursuant to RCW 84.48.080 and after the third Monday of September, the
28 department shall certify to each county assessor the real and personal
29 property ratio for that county.

30 (4) The department of revenue shall also examine procedures used by
31 the assessor to assess real and personal property in the county,
32 including calculations, use of prescribed value schedules, and efforts
33 to locate all taxable property in the county. If any examination by
34 the department discloses other than market value is being listed as
35 appraised value on the county assessment rolls of the county by the
36 assessor and, after due notification by the department, is not
37 corrected, the department of revenue shall, in accordance with rules

1 adopted by the department, adjust the ratio of that type of property,
2 which adjustment shall be used for determining the county's indicated
3 ratio.

4 **Sec. 13.** RCW 84.48.080 and 2008 c 86 s 502 are each amended to
5 read as follows:

6 (1) Annually during the months of September and October, the
7 department of revenue shall examine and compare the returns of the
8 assessment of the property in the several counties of the state, and
9 the assessment of the property of railroad and other companies assessed
10 by the department, and proceed to equalize the same, so that each
11 county in the state shall pay its due and just proportion of the taxes
12 for state purposes for such assessment year, according to the ratio the
13 assessed valuation of the property in each county bears to the correct
14 total assessed valuation of all property in the state.

15 (a) The department shall classify all property, real and personal,
16 and shall raise and lower the assessed valuation of any class of
17 property in any county to a value that shall be equal, so far as
18 possible, to the (~~true and fair~~) correct assessed value of such class
19 as of January 1st of the current year, after determining the correct
20 appraised value, and any adjustment applicable under section 6 of this
21 act for the property for the purpose of ascertaining the just amount of
22 tax due from each county for state purposes. In equalizing personal
23 property as of January 1st of the current year, the department shall
24 use valuation data with respect to personal property from the three
25 years immediately preceding the current assessment year in a manner it
26 deems appropriate. Such classification may be on the basis of types of
27 property, geographical areas, or both. For purposes of this section,
28 for each county that has not provided the department with an assessment
29 return by December 1st, the department shall proceed, using facts and
30 information and in a manner it deems appropriate, to estimate the value
31 of each class of property in the county.

32 (b) The department shall keep a full record of its proceedings and
33 the same shall be published annually by the department.

34 (2) The department shall levy the state taxes authorized by law.
35 The amount levied in any one year for general state purposes shall not
36 exceed the lawful dollar rate on the dollar of the assessed value of
37 the property of the entire state, (~~which assessed value shall be one~~

1 ~~hundred percent of the true and fair value of the property in money))~~
2 as equalized under this section. The department shall apportion the
3 amount of tax for state purposes levied by the department, among the
4 several counties, in proportion to the valuation of the taxable
5 property of the county for the year as equalized by the department(~~(+~~
6 ~~PROVIDED, That~~)). For purposes of this apportionment, the department
7 shall recompute the previous year's levy and the apportionment thereof
8 to correct for changes and errors in taxable values reported to the
9 department after October 1 of the preceding year and shall adjust the
10 apportioned amount of the current year's state levy for each county by
11 the difference between the apportioned amounts established by the
12 original and revised levy computations for the previous year. For
13 purposes of this section, changes in taxable values mean a final
14 adjustment made by a county board of equalization, the state board of
15 tax appeals, or a court of competent jurisdiction and shall include
16 additions of omitted property, other additions or deletions from the
17 assessment or tax rolls, any assessment return provided by a county to
18 the department subsequent to December 1st, or a change in the indicated
19 ratio of a county. Errors in taxable values mean errors corrected by
20 a final reviewing body.

21 (3) The department shall have authority to adopt rules and
22 regulations to enforce obedience to its orders in all matters in
23 relation to the returns of county assessments, the equalization of
24 values, and the apportionment of the state levy by the department.

25 (4) After the completion of the duties prescribed in this section,
26 the director of the department shall certify the record of the
27 proceedings of the department under this section, the tax levies made
28 for state purposes and the apportionment thereof among the counties,
29 and the certification shall be available for public inspection.

30 **Sec. 14.** RCW 84.12.280 and 2001 c 187 s 4 are each amended to read
31 as follows:

32 (1) In making the assessment of the operating property of any
33 railroad or logging railroad company and in the apportionment of the
34 values and the taxation thereof, all land occupied and claimed
35 exclusively as the right-of-way for railroads, with all the tracks and
36 substructures and superstructures which support the same, together with
37 all side tracks, second tracks, turn-outs, station houses, depots,

1 round houses, machine shops, or other buildings belonging to the
2 company, used in the operation thereof, without separating the same
3 into land and improvements, shall be assessed as real property.
4 (~~And~~) The rolling stock and other movable property belonging to any
5 railroad or logging railroad company shall be considered as personal
6 property and taxed as such(~~:- PROVIDED, That~~)). However, all of the
7 operating property of street railway companies shall be assessed and
8 taxed as personal property.

9 (2) All of the operating property of airplane companies, telegraph
10 companies, pipe line companies, and all of the operating property other
11 than lands and buildings of electric light and power companies,
12 telephone companies, and gas companies shall be assessed and taxed as
13 personal property.

14 (3) Notwithstanding subsections (1) and (2) of this section, the
15 limit provided under section 6 of this act shall be applied in the
16 assessment of property under this section to the same extent as that
17 limit is generally applied to property not assessed under this chapter.

18 **Sec. 15.** RCW 84.12.310 and 2001 c 187 s 5 are each amended to read
19 as follows:

20 For the purpose of determining the system value of the operating
21 property of any such company, the department of revenue shall deduct
22 from the (~~true and fair~~) assessed value of the total assets of such
23 company, the (~~actual cash~~) assessed value of all nonoperating
24 property owned by such company. For such purpose the department of
25 revenue may require of the assessors of the various counties within
26 this state a detailed list of such company's properties assessed by
27 them, together with the assessable or assessed value thereof(~~:-~~
28 ~~PROVIDED, That~~)). However, such assessed or assessable value shall be
29 advisory only and not conclusive on the department of revenue as to the
30 value thereof.

31 **Sec. 16.** RCW 84.12.330 and 2001 c 187 s 6 are each amended to read
32 as follows:

33 Upon the assessment roll shall be placed after the name of each
34 company a general description of the operating property of the company,
35 which shall be considered sufficient if described in the language of
36 RCW 84.12.200(12), as applied to the company, following which shall be

1 entered the (~~true and fair~~) assessed value of the operating property
2 as determined by the department of revenue. No assessment shall be
3 invalidated by reason of a mistake in the name of the company assessed,
4 or the omission of the name of the owner or by the entry as owner of a
5 name other than that of the true owner. When the department of revenue
6 shall have prepared the assessment roll and entered thereon the (~~true
7 and fair~~) assessed value of the operating property of the company, as
8 herein required, it shall notify the company by mail of the valuation
9 determined by it and entered upon the roll.

10 **Sec. 17.** RCW 84.12.350 and 2001 c 187 s 7 are each amended to read
11 as follows:

12 Upon determination by the department of revenue of the (~~true and
13 fair~~) assessed value of the property appearing on such rolls it shall
14 apportion such value to the respective counties entitled thereto, as
15 hereinafter provided, and shall determine the equalized assessed
16 valuation of such property in each such county and in the several
17 taxing districts therein, by applying to such actual apportioned value
18 the same ratio as the ratio of assessed to (~~actual~~) the corrected
19 assessed value of the general property in such county(~~(:—PROVIDED,
20 That,)~~). However, whenever the amount of the (~~true and fair~~)
21 assessed value of the operating property of any company otherwise
22 apportionable to any county or other taxing district shall be less than
23 two hundred fifty dollars, such amount need not be apportioned to such
24 county or taxing district but may be added to the amount apportioned to
25 an adjacent county or taxing district.

26 **Sec. 18.** RCW 84.12.360 and 2001 c 187 s 8 are each amended to read
27 as follows:

28 The (~~true and fair~~) assessed value of the operating property
29 assessed to a company, as fixed and determined by the department of
30 revenue, shall be apportioned by the department of revenue to the
31 respective counties and to the taxing districts thereof wherein such
32 property is located in the following manner:

33 (1) Property of all railroad companies other than street railroad
34 companies, telegraph companies and pipe line companies--upon the basis
35 of that proportion of the value of the total operating property within
36 the state which the mileage of track, as classified by the department

1 of revenue (in case of railroads), mileage of wire (in the case of
2 telegraph companies), and mileage of pipe line (in the case of pipe
3 line companies) within each county or taxing district bears to the
4 total mileage thereof within the state, at the end of the calendar year
5 last past. For the purpose of such apportionment the department may
6 classify railroad track.

7 (2) Property of street railroad companies, telephone companies,
8 electric light and power companies, and gas companies--upon the basis
9 of relative value of the operating property within each county and
10 taxing district to the value of the total operating property within the
11 state to be determined by such factors as the department of revenue
12 shall deem proper.

13 (3) Planes or other aircraft of airplane companies--upon the basis
14 of such factor or factors of allocation, to be determined by the
15 department of revenue, as will secure a substantially fair and
16 equitable division between counties and other taxing districts.

17 All other property of airplane companies--upon the basis set forth
18 in subsection (2) of this section.

19 The basis of apportionment with reference to all public utility
20 companies above prescribed shall not be deemed exclusive and the
21 department of revenue in apportioning values of such companies may also
22 take into consideration such other information, facts, circumstances,
23 or allocation factors as will enable it to make a substantially just
24 and correct valuation of the operating property of such companies
25 within the state and within each county thereof.

26 **Sec. 19.** RCW 84.16.040 and 2001 c 187 s 9 are each amended to read
27 as follows:

28 The department of revenue shall annually make an assessment of the
29 operating property of each private car company; and between the first
30 day of May and the first day of July of each year shall prepare an
31 assessment roll upon which it shall enter (~~(and assess)~~) the (~~(true and~~
32 ~~fair)~~) assessed value of all the operating property of each of such
33 companies as of the first day of January of the year in which the
34 assessment is made. For the purpose of determining the (~~(true and~~
35 ~~fair)~~) assessed value of such property the department of revenue may
36 take into consideration any information or knowledge obtained by it
37 from an examination and inspection of such property, or of the books,

1 records, and accounts of such companies, the statements filed as
2 required by this chapter, the reports, statements, or returns of such
3 companies filed in the office of any board, office, or commission of
4 this state or any county thereof, the earnings and earning power of
5 such companies, the franchises owned or used by such companies, the
6 true and fair valuation of any and all property of such companies,
7 whether operating property or nonoperating property, and whether
8 situated within or without the state, and any other facts, evidences,
9 or information that may be obtainable bearing upon the value of the
10 operating property(~~(:—PROVIDED, That)~~). However, in no event shall
11 any statement or report required from any company by this chapter be
12 conclusive upon the department of revenue in determining the amount,
13 character, and true and fair value of the operating property of such
14 company.

15 **Sec. 20.** RCW 84.16.050 and 2001 c 187 s 10 are each amended to
16 read as follows:

17 The department of revenue may, in determining the (~~(true and fair)~~)
18 assessed value of the operating property to be placed on the assessment
19 roll value the entire property as a unit. If the company owns, leases,
20 operates or uses property partly within and partly without the state,
21 the department of revenue may determine the value of the operating
22 property within this state by the proportion that the value of such
23 property bears to the value of the entire operating property of the
24 company, both within and without this state. In determining the
25 operating property which is located within this state the department of
26 revenue may consider and base such determination on the proportion
27 which the number of car miles of the various classes of cars made in
28 this state bears to the total number of car miles made by the same cars
29 within and without this state, or to the total number of car miles made
30 by all cars of the various classes within and without this state. If
31 the value of the operating property of the company cannot be fairly
32 determined in such manner the department of revenue may use any other
33 reasonable and fair method to determine the value of the operating
34 property of the company within this state.

35 **Sec. 21.** RCW 84.16.090 and 2001 c 187 s 11 are each amended to
36 read as follows:

1 Upon the assessment roll shall be placed after the name of each
2 company a general description of the operating property of the company,
3 which shall be considered sufficient if described in the language of
4 RCW 84.16.010(3) or otherwise, following which shall be entered the
5 (~~true and fair~~) assessed value of the operating property as
6 determined by the department of revenue. No assessment shall be
7 invalid by a mistake in the name of the company assessed, by omission
8 of the name of the owner or by the entry of a name other than that of
9 the true owner. When the department of revenue shall have prepared the
10 assessment roll and entered thereon the (~~true and fair~~) assessed
11 value of the operating property of the company, as required, it shall
12 notify the company by mail of the valuation determined by it and
13 entered upon the roll; and thereupon such valuation shall become the
14 (~~true and fair~~) assessed value of the operating property of the
15 company, subject to revision or correction by the department of revenue
16 as hereinafter provided; and shall be the valuation upon which, after
17 equalization by the department of revenue as hereinafter provided, the
18 taxes of such company shall be based and computed.

19 **Sec. 22.** RCW 84.16.110 and 2001 c 187 s 12 are each amended to
20 read as follows:

21 Upon determination by the department of revenue of the true and
22 (~~fair~~) correct assessed value of the property appearing on such rolls
23 the department shall apportion such value to the respective counties
24 entitled thereto as hereinafter provided, and shall determine the
25 equalized or assessed valuation of such property in such counties by
26 applying to such actual apportioned value the same ratio as the ratio
27 of assessed to (~~actual~~) corrected assessed value of the general
28 property of the respective counties(~~(+ PROVIDED, That,)~~). However,
29 whenever the amount of the true and (~~fair~~) correct assessed value of
30 the operating property of any company otherwise apportionable to any
31 county shall be less than two hundred fifty dollars, such amount need
32 not be apportioned to such county but may be added to the amount
33 apportioned to an adjacent county.

34 **Sec. 23.** RCW 84.16.120 and 2001 c 187 s 13 are each amended to
35 read as follows:

36 The (~~true and fair~~) assessed value of the property of each

1 company as fixed and determined by the department of revenue as herein
2 provided shall be apportioned to the respective counties in the
3 following manner:

4 (1) If all the operating property of the company is situated
5 entirely within a county and none of such property is located within,
6 extends into, or through or is operated into or through any other
7 county, the entire value thereof shall be apportioned to the county
8 within which such property is situated, located, and operated.

9 (2) If the operating property of any company is situated or located
10 within, extends into or is operated into or through more than one
11 county, the value thereof shall be apportioned to the respective
12 counties into or through which its cars are operated in the proportion
13 that the length of main line track of the respective railroads moving
14 such cars in such counties bears to the total length of main line track
15 of such respective railroads in this state.

16 (3) If the property of any company is of such character that it
17 will not be reasonable, feasible or fair to apportion the value as
18 hereinabove provided, the value thereof shall be apportioned between
19 the respective counties into or through which such property extends or
20 is operated or in which the same is located in such manner as may be
21 reasonable, feasible and fair.

22 **Sec. 24.** RCW 84.36.041 and 2008 c 6 s 707 are each amended to read
23 as follows:

24 (1) All real and personal property used by a nonprofit home for the
25 aging that is reasonably necessary for the purposes of the home is
26 exempt from taxation if the benefit of the exemption inures to the home
27 and:

28 (a) At least fifty percent of the occupied dwelling units in the
29 home are occupied by eligible residents; or

30 (b) The home is subsidized under a federal department of housing
31 and urban development program. The department of revenue shall provide
32 by rule a definition of homes eligible for exemption under this
33 subsection (1)(b), consistent with the purposes of this section.

34 (2) All real and personal property used by a nonprofit home for the
35 aging that is reasonably necessary for the purposes of the home is
36 exempt from taxation if the benefit of the exemption inures to the home
37 and the construction, rehabilitation, acquisition, or refinancing of

1 the home is financed under a program using bonds exempt from federal
2 income tax if at least seventy-five percent of the total amount
3 financed uses the tax exempt bonds and the financing program requires
4 the home to reserve a percentage of all dwelling units so financed for
5 low-income residents. The initial term of the exemption under this
6 subsection shall equal the term of the tax exempt bond used in
7 connection with the financing program, or the term of the requirement
8 to reserve dwelling units for low-income residents, whichever is
9 shorter. If the financing program involves less than the entire home,
10 only those dwelling units included in the financing program are
11 eligible for total exemption. The department of revenue shall provide
12 by rule the requirements for monitoring compliance with the provisions
13 of this subsection and the requirements for exemption including:

14 (a) The number or percentage of dwelling units required to be
15 occupied by low-income residents, and a definition of low income;

16 (b) The type and character of the dwelling units, whether
17 independent units or otherwise; and

18 (c) Any particular requirements for continuing care retirement
19 communities.

20 (3) A home for the aging is eligible for a partial exemption on the
21 real property and a total exemption for the home's personal property if
22 the home does not meet the requirements of subsection (1) of this
23 section because fewer than fifty percent of the occupied dwelling units
24 are occupied by eligible residents, as follows:

25 (a) A partial exemption shall be allowed for each dwelling unit in
26 a home occupied by a resident requiring assistance with activities of
27 daily living.

28 (b) A partial exemption shall be allowed for each dwelling unit in
29 a home occupied by an eligible resident.

30 (c) A partial exemption shall be allowed for an area jointly used
31 by a home for the aging and by a nonprofit organization, association,
32 or corporation currently exempt from property taxation under one of the
33 other provisions of this chapter. The shared area must be reasonably
34 necessary for the purposes of the nonprofit organization, association,
35 or corporation exempt from property taxation under one of the other
36 provisions of this chapter, such as kitchen, dining, and laundry areas.

37 (d) The amount of exemption shall be calculated by multiplying the
38 assessed value of the property reasonably necessary for the purposes of

1 the home, less the assessed value of any area exempt under (c) of this
2 subsection, by a fraction. The numerator of the fraction is the number
3 of dwelling units occupied by eligible residents and by residents
4 requiring assistance with activities of daily living. The denominator
5 of the fraction is the total number of occupied dwelling units as of
6 December 31st of the first assessment year the home becomes operational
7 for which exemption is claimed and January 1st of each subsequent
8 assessment year for which exemption is claimed.

9 (4) To be exempt under this section, the property must be used
10 exclusively for the purposes for which the exemption is granted, except
11 as provided in RCW 84.36.805.

12 (5) A home for the aging is exempt from taxation only if the
13 organization operating the home is exempt from income tax under section
14 501(c) of the federal internal revenue code as existing on January 1,
15 1989, or such subsequent date as the director may provide by rule
16 consistent with the purposes of this section.

17 (6) In order for the home to be eligible for exemption under
18 subsections (1)(a) and (3)(b) of this section, each eligible resident
19 of a home for the aging shall submit an income verification form to the
20 county assessor by July 1st of the assessment year for which exemption
21 is claimed. However, during the first year a home becomes operational,
22 the county assessor shall accept income verification forms from
23 eligible residents up to December 31st of the assessment year. The
24 income verification form shall be prescribed and furnished by the
25 department of revenue. An eligible resident who has filed a form for
26 a previous year need not file a new form until there is a change in
27 status affecting the person's eligibility.

28 (7) In determining the (~~true and fair~~) assessed value of a home
29 for the aging for purposes of the partial exemption provided by
30 subsection (3) of this section, the assessor shall apply the
31 computation method provided by RCW 84.34.060 and shall consider only
32 the use to which such property is applied during the years for which
33 such partial exemptions are available and shall not consider potential
34 uses of such property.

35 (8) As used in this section:

36 (a) "Eligible resident" means a person who:

37 (i) Occupied the dwelling unit as a principal place of residence as
38 of December 31st of the first assessment year the home becomes

1 operational. In each subsequent year, the eligible resident must
2 occupy the dwelling unit as a principal place of residence as of
3 January 1st of the assessment year for which the exemption is claimed.
4 Confinement of the person to a hospital or nursing home does not
5 disqualify the claim of exemption if the dwelling unit is temporarily
6 unoccupied or if the dwelling unit is occupied by a spouse or a
7 domestic partner, a person financially dependent on the claimant for
8 support, or both; and

9 (ii) Is sixty-one years of age or older on December 31st of the
10 year in which the exemption claim is filed, or is, at the time of
11 filing, retired from regular gainful employment by reason of physical
12 disability. Any surviving spouse or surviving domestic partner of a
13 person who was receiving an exemption at the time of the person's death
14 shall qualify if the surviving spouse or surviving domestic partner is
15 fifty-seven years of age or older and otherwise meets the requirements
16 of this subsection; and

17 (iii) Has a combined disposable income of no more than the greater
18 of twenty-two thousand dollars or eighty percent of the median income
19 adjusted for family size as most recently determined by the federal
20 department of housing and urban development for the county in which the
21 person resides. For the purposes of determining eligibility under this
22 section, a "cotenant" means a person who resides with an eligible
23 resident and who shares personal financial resources with the eligible
24 resident.

25 (b) "Combined disposable income" means the disposable income of the
26 person submitting the income verification form, plus the disposable
27 income of his or her spouse or domestic partner, and the disposable
28 income of each cotenant occupying the dwelling unit for the preceding
29 calendar year, less amounts paid by the person submitting the income
30 verification form or his or her spouse or domestic partner or cotenant
31 during the previous year for the treatment or care of either person
32 received in the dwelling unit or in a nursing home. If the person
33 submitting the income verification form was retired for two months or
34 more of the preceding year, the combined disposable income of such
35 person shall be calculated by multiplying the average monthly combined
36 disposable income of such person during the months such person was
37 retired by twelve. If the income of the person submitting the income
38 verification form is reduced for two or more months of the preceding

1 year by reason of the death of the person's spouse or domestic partner,
2 the combined disposable income of such person shall be calculated by
3 multiplying the average monthly combined disposable income of such
4 person after the death of the spouse or domestic partner by twelve.

5 (c) "Disposable income" means adjusted gross income as defined in
6 the federal internal revenue code, as amended prior to January 1, 1989,
7 or such subsequent date as the director may provide by rule consistent
8 with the purpose of this section, plus all of the following items to
9 the extent they are not included in or have been deducted from adjusted
10 gross income:

11 (i) Capital gains, other than gain excluded from income under
12 section 121 of the federal internal revenue code to the extent it is
13 reinvested in a new principal residence;

14 (ii) Amounts deducted for loss;

15 (iii) Amounts deducted for depreciation;

16 (iv) Pension and annuity receipts;

17 (v) Military pay and benefits other than attendant-care and
18 medical-aid payments;

19 (vi) Veterans benefits other than attendant-care and medical-aid
20 payments;

21 (vii) Federal social security act and railroad retirement benefits;

22 (viii) Dividend receipts; and

23 (ix) Interest received on state and municipal bonds.

24 (d) "Resident requiring assistance with activities of daily living"
25 means a person who requires significant assistance with the activities
26 of daily living and who would be at risk of nursing home placement
27 without this assistance.

28 (e) "Home for the aging" means a residential housing facility that
29 (i) provides a housing arrangement chosen voluntarily by the resident,
30 the resident's guardian or conservator, or another responsible person;
31 (ii) has only residents who are at least sixty-one years of age or who
32 have needs for care generally compatible with persons who are at least
33 sixty-one years of age; and (iii) provides varying levels of care and
34 supervision, as agreed to at the time of admission or as determined
35 necessary at subsequent times of reappraisal.

36 (9) A for-profit home for the aging that converts to nonprofit
37 status after June 11, 1992, and would otherwise be eligible for tax

1 exemption under this section may not receive the tax exemption until
2 five years have elapsed since the conversion. The exemption shall then
3 be ratably granted over the next five years.

4 **Sec. 25.** RCW 84.52.063 and 2001 c 187 s 25 are each amended to
5 read as follows:

6 A rural library district may impose a regular property tax levy in
7 an amount equal to that which would be produced by a levy of fifty
8 cents per thousand dollars of assessed value multiplied by an equalized
9 assessed valuation (~~((equal to one hundred percent of the true and fair
10 value of the taxable property in the rural library district))~~), as
11 determined by the department of revenue's indicated county ratio(~~(+
12 PROVIDED, That))~~). However, when any county assessor shall find that
13 the aggregate rate of levy on any property will exceed the limitation
14 set forth in RCW 84.52.043 and 84.52.050, as now or hereafter amended,
15 before recomputing and establishing a consolidated levy in the manner
16 set forth in RCW 84.52.010, the assessor shall first reduce the levy of
17 any rural library district, by such amount as may be necessary, but the
18 levy of any rural library district shall not be reduced to less than
19 fifty cents per thousand dollars against the value of the taxable
20 property, as determined by the county, prior to any further adjustments
21 pursuant to RCW 84.52.010. For purposes of this section "regular
22 property tax levy" shall mean a levy subject to the limitations
23 provided for in Article VII, section 2 of the state Constitution and/or
24 by statute.

25 **Sec. 26.** RCW 84.70.010 and 2005 c 56 s 1 are each amended to read
26 as follows:

27 (1) If, on or before December 31 in any calendar year, any real or
28 personal property placed upon the assessment roll of that year is
29 destroyed in whole or in part, or is in an area that has been declared
30 a disaster area by the governor or the county legislative authority and
31 has been reduced in value by more than twenty percent as a result of a
32 natural disaster, the (~~(true and fair))~~ assessed value of such property
33 shall be reduced for that assessment year by an amount determined by
34 taking the (~~(true and fair))~~ assessed value of such taxable property
35 before destruction or reduction in value and deduct therefrom the true

1 and fair value of the remaining property after destruction or reduction
2 in value.

3 (2) Taxes levied for collection in the year in which the (~~true and~~
4 ~~fair~~) assessed value has been reduced under subsection (1) of this
5 section shall be abated in whole or in part as provided in this
6 subsection. The amount of taxes to be abated shall be determined by
7 first multiplying the amount deducted from the (~~true and fair~~)
8 assessed value under subsection (1) of this section by the rate of levy
9 applicable to the property in the tax year. Then divide the product by
10 the number of days in the year and multiply the quotient by the number
11 of days remaining in the calendar year after the date of the
12 destruction or reduction in value of the property. If taxes abated
13 under this section have been paid, the amount paid shall be refunded
14 under RCW 84.69.020. The tax relief provided for in this section for
15 the tax year in which the damage or destruction occurred does not apply
16 to property damaged or destroyed voluntarily.

17 (3) No reduction in the (~~true and fair~~) assessed value or
18 abatements shall be made more than three years after the date of
19 destruction or reduction in value.

20 (4) The assessor shall make such reduction on his or her own
21 motion; however, the taxpayer may make application for reduction on
22 forms prepared by the department and provided by the assessor. The
23 assessor shall notify the taxpayer of the amount of reduction.

24 (5) If destroyed property is replaced prior to the valuation dates
25 contained in RCW 36.21.080 and 36.21.090, the total taxable value for
26 that assessment year shall not exceed the value as of the appropriate
27 valuation date in RCW 36.21.080 or 36.21.090, whichever is appropriate.

28 (6) The taxpayer may appeal the amount of reduction to the county
29 board of equalization in accordance with the provisions of RCW
30 84.40.038. The board shall reconvene, if necessary, to hear the
31 appeal.

32 NEW SECTION. **Sec. 27.** This act takes effect January 1, 2011, if
33 the proposed amendment to Article VII of the state Constitution
34 authorizing the legislature to limit the rate of property valuation
35 increases (SJR (S-0465/09)) is validly submitted to and is
36 approved and ratified by the voters at the next general election. If

1 the proposed amendment is not approved and ratified, this act is void
2 in its entirety.

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