

SENATE BILL REPORT

SJR 8213

As of February 15, 1995

Brief Description: Amending the state Constitution to limit tax increases on residential real property.

Sponsors: Senators Sutherland, Oke, McCaslin and Rasmussen.

Brief History:

Committee Activity: Ways & Means: 2/21/95.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Terry Wilson (786-7715)

Background: The Constitution requires all taxes on real estate to be uniform within a taxing district. This requires all taxes imposed by any taxing district to be the same on property of the same market value. However, the state Constitution authorizes the Legislature to grant to retired property owners relief from the property tax on their principal residence. The Legislature is authorized to place restrictions and conditions upon the granting of this relief, including income requirements.

Summary of Bill: Beginning with taxes due in 1997, the increase in regular property tax levies upon residential real property is limited to 4 percent per year, except upon sale or a change of ownership of the property. Property is to be revalued to market value for taxes due in 1997. The limit may be exceeded if approved by the voters, and the limit does not apply to the first levy on increases in value resulting from improvements made to property in the previous year.

The Legislature may place restrictions and conditions upon the applicability of the limitation.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The amendment is effective 30 days after approval by the voters.

Testimony For: None.

Testimony Against: None.

Testified: No one.