

SENATE BILL REPORT

SB 6899

As of February 19, 2008

Title: An act relating to limiting the rate of increase of property valuations.

Brief Description: Limiting the rate of increase of property valuations.

Sponsors: Senators Rockefeller, Haugen, Oemig, Shin, Kilmer and Rasmussen.

Brief History:

Committee Activity: Ways & Means: 2/07/08.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Dean Carlson (786-7305)

Background: All real and personal property in Washington State is subject to property tax, unless a specific exemption is provided by law.

Property taxes are calculated for individual properties by multiplying a tax rate by the assessed value of each property. By statute, assessed value must be equal to 100 percent of the fair market value of the property, unless the property qualifies under a special tax relief program. Article 7, section 1 of the State Constitution provides that all taxes must be uniform on the same class of property. This means that taxes must be the same on property of the same value and requires both an equal rate and equality in valuing the property taxed.

Summary of Bill: The assessed value of property, other than property that has changed or transferred ownership since the last assessment, is equal to the lesser of the current appraised value or the previous assessed value plus 10 percent, plus any improvement increase.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: None.

Persons Testifying: No one.

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