

1 (b) Taxpayers should have full opportunity for settlement and the
2 right to a fair and impartial hearing prior to being required to pay
3 a disputed tax; and

4 (c) Appeal procedures should encourage the resolution of tax
5 disputes through mediation and other settlement processes.

6 (2) Therefore, the legislature finds that establishing a new tax
7 appeal division in the court of appeals to resolve appeals of tax
8 disputes will create an independent tax appeal forum within the
9 judicial branch of government to promote public confidence in the tax
10 system, insuring both the appearance and reality of due process and
11 fundamental fairness, while promoting the consistency and
12 predictability of tax decisions. The legislature further finds that
13 hearing procedures should recognize financial practicalities, and
14 finds that the procedural rules for the commissioner department
15 should therefore provide for informal appeals and taxpayer
16 representation by nonlawyers.

17 (3) This act must be interpreted and construed to further the
18 purposes of the act, and court rules adopted for implementing this
19 act should be structured and construed to further this intent.

20 **Sec. 102.** RCW 2.06.020 and 2009 c 77 s 1 are each amended to
21 read as follows:

22 The court shall have three divisions(~~(, one of which shall be~~
23 ~~headquartered in Seattle, one of which shall be headquartered in~~
24 ~~Spokane, and one of which shall be headquartered in Tacoma:)) of
25 general appellate jurisdiction and one division for tax appeals. The
26 first division of general appellate jurisdiction shall be
27 headquartered in Seattle, the second division of general appellate
28 jurisdiction shall be headquartered in Tacoma, the third division of
29 general appellate jurisdiction shall be headquartered in Spokane, and
30 the tax appeal division with jurisdiction over tax appeals as
31 provided by statute headquartered in Olympia.~~

32 (1) The first division shall have twelve judges from three
33 districts, as follows:

34 (a) District 1 shall consist of King county and shall have eight
35 judges;

36 (b) District 2 shall consist of Snohomish county and shall have
37 two judges; and

38 (c) District 3 shall consist of Island, San Juan, Skagit, and
39 Whatcom counties and shall have two judges.

1 (2) The second division shall have eight judges from the
2 following districts:

3 (a) District 1 shall consist of Pierce county and shall have
4 three judges;

5 (b) District 2 shall consist of Clallam, Grays Harbor, Jefferson,
6 Kitsap, Mason, and Thurston counties and shall have three judges;

7 (c) District 3 shall consist of Clark, Cowlitz, Lewis, Pacific,
8 Skamania, and Wahkiakum counties and shall have two judges.

9 (3) The third division shall have five judges from the following
10 districts:

11 (a) District 1 shall consist of Ferry, Lincoln, Okanogan, Pend
12 Oreille, Spokane, and Stevens counties and shall have two judges;

13 (b) District 2 shall consist of Adams, Asotin, Benton, Columbia,
14 Franklin, Garfield, Grant, Walla Walla, and Whitman counties and
15 shall have one judge;

16 (c) District 3 shall consist of Chelan, Douglas, Kittitas,
17 Klickitat, and Yakima counties and shall have two judges.

18 (4) The tax appeal division shall have three judges, one from
19 each division specified in subsections (1) through (3) of this
20 section, and shall have statewide jurisdiction over tax appeals as
21 provided by statute. The tax appeal division may hold hearings in any
22 location in the state that is convenient to the parties. The county
23 clerk or board of county commissioners, upon a reasonable request of
24 a judge of the tax appeal division, shall provide suitable rooms for
25 hearings.

26 NEW SECTION. Sec. 103. A new section is added to chapter 2.06
27 RCW to read as follows:

28 The tax appeal division must consist of two departments:

29 (1) The main department:

30 (a) The main department of the tax appeal division must consist
31 of three judges who may individually hear and decide tax appeals,
32 except en banc proceedings that must be heard by a three judge panel.

33 (b) Upon petition by a party, the main department must initially
34 hear appeals that involve complex issues, issues of substantial
35 public importance, or issues that require expertise beyond a
36 commissioner's proficiency. Unless otherwise allowed by the presiding
37 judge for good cause shown, the petition for a direct appeal to the
38 main department must be filed within sixty days of the filing of the
39 initial appeal.

1 (c) A party may petition for an en banc hearing of the appeal, or
2 en banc review of a final decision of the main department when: (i)
3 The decision under appeal conflicts with a decision of the supreme
4 court or a prior decision of the tax appeal division; or (ii) the
5 appeal involves one or more questions of exceptional public
6 importance; and (iii) there are no genuine issues of material fact.
7 In so far as possible, en banc proceedings must be conducted in
8 accordance with the rules of appellate procedure applicable in the
9 divisions of general appellate jurisdiction.

10 (d) Decisions of the main department of the tax appeal division
11 must be rendered no later than six months after submission of the
12 last brief filed subsequent to completion of the hearing or, if
13 briefs are not submitted, then no later than six months after
14 completion of the hearing. The court may extend the six-month period,
15 for good cause, up to three additional months; and

16 (2) The commissioner department:

17 (a) The commissioner department must hear all appeals that are
18 not heard initially by the main department. The judges of the main
19 department must appoint one or more individuals to sit as
20 commissioners at locations within the state as the presiding judge
21 must determine and must perform such duties as the presiding judge of
22 the tax appeal division may direct. Commissioners may be appointed to
23 serve on either a full-time or part-time basis.

24 (b) Small claims division of the commissioner department: There
25 is hereby established a small claims division of the commissioner
26 department. The small claims division is a cost-effective and
27 informal option for taxpayers seeking an independent review of their
28 contested tax assessment. The small claims division shall have
29 jurisdiction, but not exclusive jurisdiction, in contested tax
30 assessments proceedings when:

31 (i) The contested amount is less than twenty-five thousand
32 dollars for a calendar year exclusive of interest and penalties; and

33 (ii) The taxpayer timely requests a small claims proceeding.

34 (c) In proceedings before the small claims division:

35 (i) A taxpayer may appear personally or may designate a
36 representative;

37 (ii) Designated representatives include an employee of the
38 taxpayer, a trustee of a trust, a personal representative of a
39 decedent's estate, or a designated representative of a nonprofit

1 organization. The taxpayer or the taxpayer's representative may
2 testify;

3 (iii) A commissioner must preside over all cases in the small
4 claims division;

5 (iv) A taxpayer may elect to proceed in the small claims division
6 of the commissioner department by filing a petition in the form
7 prescribed by the commissioner department no later than ninety days
8 after the taxpayer's receipt of written notice of the determination
9 that is the subject of the petition. A taxpayer may not revoke an
10 election to proceed in the small claims division;

11 (v) No later than thirty days after receipt of notice that the
12 taxpayer has filed a petition in proper form, or at such other time
13 as the commissioner department determines, the tax administration
14 agency must file with the tax tribunal an answer similar to that
15 required by section 111 of this act;

16 (vi) At any time prior to entry of judgment, a taxpayer may
17 dismiss a proceeding in the small claims division by notifying the
18 clerk of the tax tribunal in writing. Such dismissal is with
19 prejudice and does not have the effect of revoking the election made
20 in accordance with (d) of this subsection;

21 (vii) Hearings in the small claims division must be informal and
22 the commissioner may receive such evidence as the commissioner deems
23 appropriate for determination of the case. The taxpayer may offer
24 witness testimony from a licensed real estate broker, a licensed
25 appraiser, or an accounting or other professional services firm by an
26 accountant licensed in this state or other person with knowledge of
27 the facts of the case. Testimony must be given under oath or
28 affirmation; and

29 (viii) A judgment of the small claims division is conclusive upon
30 all parties and may not be appealed. A judgment of the small claims
31 division may not be considered as precedent in any other case,
32 hearing, or proceeding.

33 (d) Voluntary mediation process:

34 (i) The commissioner department shall provide an informal
35 voluntary and confidential mediation process. The purpose of the
36 mediation is to help the parties reach an agreement that settles the
37 dispute. The department shall prescribe rules for the conduct of
38 mediation consistent with the purpose of the mediation.

39 (ii) A dispute may only be submitted to mediation if all the
40 parties agree to go to mediation and agree to the following:

1 (A) An appointed neutral mediator shall lead and facilitate the
2 mediation. The mediator shall be a commissioner who is not assigned
3 to preside over and decide the case;

4 (B) The mediator's role is to assist the parties to work together
5 to reach a mutually agreeable dispute resolution. The mediator will
6 not issue findings of fact or a decision in the matter;

7 (C) Mediation is a confidential process. All mediation
8 discussions, statements of parties, and materials provided as part of
9 the mediation are confidential, shall not be disclosed outside the
10 mediation, and shall not be used for any nonmediation purpose or used
11 in any other proceeding;

12 (D) An agreement reached by the parties during the mediation
13 shall be memorialized in writing and signed by the parties. Based on
14 the signed agreement, the court enters an order closing the case; and

15 (E) If the mediation does not result in a written agreement
16 resolving the dispute, the case shall proceed to trial in the
17 commissioner department.

18 (e) Qualifications of commissioners:

19 (i) An individual who is appointed as a commissioner must be a
20 citizen of the United States and a resident of this state and
21 competent to perform the duties of the office including at least
22 three years' of experience practicing in state or local tax law.

23 (ii)(A) Before entering office, each individual employed as a
24 commissioner must take and subscribe to an oath or affirmation that
25 the individual:

26 (I) Will support the Constitutions of the United States and
27 Washington and faithfully and honestly discharge the duties of the
28 office; and

29 (II) Does not hold, and while the individual is a commissioner
30 will not hold, a position under any political party.

31 (B) The oath or affirmation must be filed with the clerk of the
32 tax appeal division.

33 (iii) An individual while a commissioner may hold another office
34 or position of profit or pursue another calling or vocation unless
35 it:

36 (A) Is inconsistent with the expeditious, proper, and impartial
37 performance of the duties of a commissioner; or

38 (B) Would interfere with the ability of the commissioner to
39 perform fully the duties of the commissioner's position.

1 **Sec. 104.** RCW 2.06.030 and 1980 c 76 s 3 are each amended to
2 read as follows:

3 (1) The administration and procedures of the court shall be as
4 provided by rules of the supreme court. The court shall be vested
5 with all power and authority, not inconsistent with said rules,
6 necessary to carry into complete execution all of its judgments,
7 decrees and determinations in all matters within its jurisdiction,
8 according to the rules and principles of the common law and the
9 Constitution and laws of this state.

10 (2) For the prompt and orderly administration of justice, the
11 supreme court may ~~((+1))~~ (a) transfer to the appropriate division of
12 the court for decision a case or appeal pending before the supreme
13 court; or ~~((+2))~~ (b) transfer to the supreme court for decision a
14 case or appeal pending in a division of the court.

15 (3) Subject to the provisions of this section~~((, the court shall
16 have))~~ and section 109 of this act, the divisions of general
17 appellate jurisdiction have exclusive appellate jurisdiction in all
18 cases except:

19 (a) Cases of quo warranto, prohibition, injunction or mandamus
20 directed to state officials;

21 (b) Criminal cases where the death penalty has been decreed;

22 (c) Cases where the validity of all or any portion of a statute,
23 ordinance, tax, impost, assessment or toll is drawn into question on
24 the grounds of repugnancy to the Constitution of the United States or
25 of the state of Washington, or to a statute or treaty of the United
26 States, and the superior court has held against its validity;

27 (d) Cases involving fundamental and urgent issues of broad public
28 import requiring prompt and ultimate determination; and

29 (e) Cases involving substantive issues on which there is a direct
30 conflict among prevailing decisions of panels of the court or between
31 decisions of the supreme court;

32 all of which shall be appealed directly to the supreme court~~((+
33 PROVIDED, That))~~. However, whenever a majority of the court before
34 which an appeal is pending, but before a hearing thereon, is in doubt
35 as to whether such appeal is within the categories set forth in
36 ~~((subsection))~~ (d) or (e) of this ~~((section))~~ subsection, the cause
37 shall be certified to the supreme court for such determination.

38 (4) The appellate jurisdiction of the court of appeals does not
39 extend to civil actions at law for the recovery of money or personal

1 property when the original amount in controversy, or the value of the
2 property does not exceed the sum of two hundred dollars.

3 (5) The court shall have appellate jurisdiction over review of
4 final decisions of administrative agencies certified by the superior
5 court pursuant to RCW 34.05.518.

6 (6) Appeals from the court to the supreme court shall be only at
7 the discretion of the supreme court upon the filing of a petition for
8 review. No case, appeal or petition for a writ filed in the supreme
9 court or the court shall be dismissed for the reason that it was not
10 filed in the proper court, but it shall be transferred to the proper
11 court.

12 **Sec. 105.** RCW 2.06.040 and 2007 c 34 s 1 are each amended to
13 read as follows:

14 ~~((The court))~~ (1) The divisions of general appellate jurisdiction
15 shall sit in panels of three judges and decisions shall be rendered
16 by not less than a majority of the panel. In the determination of
17 causes all decisions of the court shall be given in writing and the
18 grounds of the decisions shall be stated. All decisions of the court
19 having precedential value shall be published as opinions of the
20 court. Each panel shall determine whether a decision of the court has
21 sufficient precedential value to be published as an opinion of the
22 court. Decisions determined not to have precedential value shall not
23 be published. Panels in the first division shall be comprised of such
24 judges as the chief judge thereof shall from time to time direct.
25 Judges of the respective divisions may sit in other divisions and
26 causes may be transferred between divisions, as directed by written
27 order of the chief justice. The court may hold sessions in cities as
28 may be designated by rule.

29 (2) The court may establish rules supplementary to and not in
30 conflict with rules of the supreme court.

31 (3) The final decisions of the main department of the tax appeal
32 division must be issued in writing and the grounds of the decisions
33 shall be stated. Except for en banc decisions, the decisions by the
34 main department of the tax appeal division must include findings of
35 fact and conclusions of law. All decisions by the main department
36 must be published as opinions of the court.

37 (4) The decisions of the main department in proceedings before a
38 single judge are subject to discretionary review by the supreme court
39 in the same manner as the decisions of other divisions of the court

1 of appeals. Except for decisions rendered in appeals from the
2 superior court under section 109(3) of this act, the parties to an en
3 banc decision have a right of appeal to the supreme court.

4 (5) The final decisions of the commissioner department must be
5 rendered in writing, and must include a statement of the facts and
6 the conclusions of law. Decisions of the commissioner department must
7 be made readily available for online research but they may not be
8 published as opinions of the tax appeal division and may not be cited
9 or relied upon as precedent. The exclusive remedy for review of any
10 decision or order of a commissioner must be by petition to the main
11 department of the tax appeal division.

12 **Sec. 106.** RCW 2.06.050 and 2011 c 336 s 11 are each amended to
13 read as follows:

14 A judge of the court shall be:

15 (1) Admitted to the practice of law in the courts of this state
16 not less than five years prior to taking office.

17 (2) A resident for not less than one year at the time of
18 appointment or initial election in the district for which his or her
19 position was created.

20 (3) A judge of the tax appeal division must have at least five
21 years' experience as an attorney practicing in state tax law.

22 **Sec. 107.** RCW 2.06.070 and 1969 ex.s. c 221 s 7 are each amended
23 to read as follows:

24 (1) Upon the taking effect of RCW 2.06.010 through 2.06.100, the
25 governor shall appoint the judges of the court of appeals for each
26 district in the numbers provided in RCW 2.06.020, who shall hold
27 office until the second Monday in January of the year following the
28 first state general election following the effective date of this
29 act. In making the original appointments the governor shall take into
30 consideration such factors as: Personal character; intellect;
31 ability; diversity of background of experience in the practice of the
32 law; diversity of political philosophy; diversity of educational
33 experience; and diversity of affiliation with social and economic
34 groups, for the purpose of establishing a balanced appellate court
35 with the highest quality of personnel. At the first state general
36 election after the effective date of this act there shall be elected
37 from each district the number of judges provided for in RCW 2.06.020.
38 Upon taking office the judges of each division elected shall come

1 together at the direction of the chief justice and be divided by lot
2 into three equal groups; those of the first group shall hold office
3 until the second Monday in January of 1973, those of the second group
4 shall hold office until the second Monday in January of 1975, and
5 those of the third group shall hold office until the second Monday in
6 January of 1977, and until their successors are elected and
7 qualified. Thereafter, judges shall be elected for the full term of
8 six years and until their successors are elected and qualified,
9 commencing with the second Monday in January succeeding their
10 election(~~(- PROVIDED, HOWEVER, That)~~). However, if the governor shall
11 make appointments to the appellate court from membership of the
12 superior court, the governor shall, in making appointments filling
13 vacancies created in the superior courts by such action, take into
14 consideration such factors as: Personal character; intellect;
15 ability; diversity of background of experience in the practice of the
16 law; diversity of political philosophy; diversity of educational
17 experience; and diversity of affiliation with social and economic
18 groups, for the purpose of maintaining a balanced superior court with
19 the highest quality of personnel.

20 (2) At the first state general election after the establishment
21 of the tax appeal division, there must be elected the number of
22 judges to the tax appeal division provided for in RCW 2.06.020. Upon
23 taking office the judges elected must come together to be divided by
24 lot into three equal groups; those of the first group must hold
25 office until the second Monday in January of 2019, those of the
26 second group must hold office until the second Monday in January of
27 2021, and those of the third group must hold office until the second
28 Monday in January of 2023, and until their successors are elected and
29 qualified. Thereafter, judges must be elected for the full term of
30 six years and until their successors are elected and qualified,
31 commencing with the second Monday in January succeeding their
32 election.

33 **Sec. 108.** RCW 2.06.150 and 1997 c 88 s 3 are each amended to
34 read as follows:

35 (1) Whenever necessary for the prompt and orderly administration
36 of justice, the chief justice of the supreme court of the state of
37 Washington may appoint any regularly elected and qualified judge of
38 the superior court or any retired judge of a court of record in this
39 state to serve as judge pro tempore of the court of appeals(~~(-~~

1 ~~PROVIDED, HOWEVER, That~~). However, no judge pro tempore appointed to
2 serve on the court of appeals may serve more than ninety days in any
3 one year and a judge pro tempore of the tax appeal division must be
4 qualified for the position as provided in RCW 2.06.050(3).

5 (2) If the term of a judge of the court of appeals expires with
6 cases or other judicial business pending, the chief justice of the
7 supreme court of the state of Washington, upon the recommendation of
8 the chief presiding judge of the court of appeals, may appoint the
9 judge to serve as judge pro tempore of the court of appeals, whenever
10 necessary for the prompt and orderly administration of justice. No
11 judge may be appointed under this subsection more than one time and
12 no appointment may exceed sixty days.

13 (3) Before entering upon his or her duties as judge pro tempore
14 of the court of appeals, the appointee shall take and subscribe an
15 oath of office as provided for in Article IV, section 28 of the state
16 Constitution.

17 NEW SECTION. Sec. 109. A new section is added to chapter 2.06
18 RCW to read as follows:

19 (1) Except as otherwise provided in this section, all proceedings
20 before the tax appeal division are original, independent proceedings
21 and must be tried without a jury and de novo. Except as provided in
22 RCW 84.40.0301, in all appeals to the tax appeal division, the
23 decision appealed from is presumed correct, and the appellant has the
24 burden of proving otherwise by a preponderance of the evidence. The
25 tax appeal division may exercise such procedural powers and authority
26 as necessary to the full exercise of its jurisdiction, including the
27 power to issue compulsory process as provided by court rule.

28 (2) The tax appeal division has jurisdiction to hear the
29 following appeals:

30 (a) Appeals of a notice of denial of a petition or a notice of
31 assessment made under RCW 82.34.110, 82.32.160, 82.32.170, or
32 82.49.060;

33 (b) Appeals from a county board of equalization;

34 (c) Appeals by an assessor or landowner from an order of the
35 director of revenue made pursuant to RCW 84.08.010 and 84.08.060, if
36 filed with the tax division of the court of appeals within ninety
37 days after the mailing of the order;

38 (d) Appeals by an assessor or owner of an intercounty public
39 utility or private car company from determinations by the director of

1 revenue of equalized assessed valuation of property and the
2 apportionment thereof to a county made pursuant to chapters 84.12 and
3 84.16 RCW, if filed with the tax division of the court of appeals
4 within ninety days after mailing of the determination;

5 (e) Appeals by an assessor, landowner, or owner of an intercounty
6 public utility or private car company from a determination of any
7 county indicated ratio for such county compiled by the department of
8 revenue pursuant to RCW 84.48.075, if the appeal is filed after
9 review of the ratio under RCW 84.48.075(3) and not later than fifteen
10 days after the mailing of the certification. A hearing under this
11 subsection (2)(e) before the court must be expeditiously held in
12 accordance with rules prescribed by the court and must take
13 precedence over all matters of the same character;

14 (f) Appeals from the decisions of sale price of second-class
15 shorelands on navigable lakes by the department of natural resources
16 pursuant to RCW 79.125.450;

17 (g) Appeals from urban redevelopment property tax apportionment
18 district proposals established by governmental ordinances pursuant to
19 RCW 39.88.060;

20 (h) Appeals from interest rates as determined by the department
21 of revenue for use in valuing farmland under current use assessment
22 pursuant to RCW 84.34.065;

23 (i) Appeals from revisions to stumpage value tables used to
24 determine value by the department of revenue pursuant to RCW
25 84.33.091;

26 (j) Appeals from denial of a tax exemption application by the
27 department of revenue pursuant to RCW 84.36.850;

28 (k) Appeals pursuant to RCW 84.40.038(3);

29 (l) Appeals pursuant to RCW 84.39.020;

30 (m) Appeals of refunds denied under Title 83 RCW; and

31 (n) Appeals from rulings issued by a tax authority by statute,
32 rule, or policy that instructs a taxpayer regarding how taxes should
33 be reported if failure to follow such instructions can result in the
34 assessment of taxes, interest, or penalties.

35 (3) In addition to appeals under subsection (2) of this section
36 and except for cases which may be appealed or transferred directly to
37 the supreme court under RCW 2.06.030, the tax appeal division,
38 sitting en banc, shall have exclusive appellate jurisdiction over
39 appeals from the superior court in any case involving the validity of
40 any tax, assessment, or toll.

1 (4) Except as otherwise specifically provided by law, the
2 provisions of RCW 1.12.070 apply to all notices of appeal filed with
3 the tax appeal division.

4 (5) Except in cases involving property taxes unless subject to
5 RCW 84.52.018, the taxpayer has the right to have his or her case
6 heard by the tax appeal division prior to the payment of any of the
7 amounts asserted as due by the tax administration agency and prior to
8 the posting of any bond.

9 (6) If, with or after the filing of a timely notice of appeal,
10 the taxpayer pays all or part of the tax or other amount in issue
11 before the tax appeal division has rendered a decision, the court
12 must treat the taxpayer's petition as a protest of a denial of a
13 claim for refund of the amount paid.

14 NEW SECTION. **Sec. 110.** A new section is added to chapter 2.06
15 RCW to read as follows:

16 (1) Subject to the limitations provided in subsection (2) of this
17 section, the tax appeal division may stay collection of all or any
18 part of an assessment or additional assessment of the department of
19 revenue, on petition of the taxpayer, unless it finds that:

20 (a) Staying collection will materially impair the department's
21 ability to collect the assessment; or

22 (b) The taxpayer's appeal lacks merit and is brought for purposes
23 of delaying payment of the assessment.

24 (2)(a) The amount of an assessment that may be stayed under
25 subsection (1) of this section is limited to:

26 (i) Five hundred thousand dollars or less through June 30, 2019;

27 (ii) Seven hundred fifty thousand dollars or less beginning July
28 1, 2019, through June 30, 2023; and

29 (iii) One million dollars or less beginning July 1, 2023, through
30 June 30, 2027.

31 (b) Beginning July 1, 2027, there is no dollar limit to the
32 amount that may be stayed under subsection (1) of this section.

33 (3) The tax appeal division may stay collection in the interest
34 of justice, or where the taxpayer provides adequate assurance that
35 collection of the assessment will not be materially impaired.

36 (4) The tax appeal division may impose interest on the amount of
37 any assessment for which collection is stayed.

38 (5) No stay of collection ordered by the tax appeal division may
39 stay collection for more than sixty days past the date on which the

1 tax appeal division issues its final decision or rules on a motion
2 for reconsideration, whichever is later.

3 (6) Interest imposed under this section is in addition to the
4 interest imposed under other provisions of law. The interest rate may
5 be adjusted on the first day of January of each year.

6 (7) The tax appeal division may not stay collection in hearings
7 where the notice of appeal was filed before January 1, 2017.

8 NEW SECTION. **Sec. 111.** A new section is added to chapter 2.06
9 RCW to read as follows:

10 (1) An appeal to the tax appeal division is initiated by the
11 filing of a notice of appeal as provided by court rule. Except for
12 property tax appeals under RCW 84.08.130, 84.34.065, 84.36.850,
13 84.40.038, 84.48.075, and as otherwise provided, the notice of appeal
14 must be filed with the tax appeal division within ninety days after
15 receipt of the tax determination being appealed.

16 (2) Upon filing a notice of appeal to the main department of the
17 tax appeal division, the appellant must pay a fee in the amount of
18 two hundred fifty dollars.

19 (3) Upon filing a notice of appeal to the commissioner of the tax
20 appeal division, the appellant must pay a fee in the amount of fifty
21 dollars.

22 **PART II**
23 **Conforming and Technical Corrections**

24 **Sec. 201.** RCW 34.05.030 and 2011 1st sp.s. c 43 s 431 are each
25 amended to read as follows:

26 (1) This chapter (~~shall~~) does not apply to:

27 (a) The state militia, or

28 (b) The board of clemency and pardons, or

29 (c) The department of corrections or the indeterminate sentencing
30 review board with respect to persons who are in their custody or are
31 subject to the jurisdiction of those agencies.

32 (2) The provisions of RCW 34.05.410 through 34.05.598 shall not
33 apply:

34 (a) To adjudicative proceedings of the board of industrial
35 insurance appeals except as provided in RCW 7.68.110 and 51.48.131;

1 (b) Except for actions pursuant to chapter 46.29 RCW, to the
2 denial, suspension, or revocation of a driver's license by the
3 department of licensing;

4 (c) To the department of labor and industries where another
5 statute expressly provides for review of adjudicative proceedings of
6 a department action, order, decision, or award before the board of
7 industrial insurance appeals;

8 (d) To actions of the Washington personnel resources board, the
9 human resources director, or the office of financial management and
10 the department of enterprise services when carrying out their duties
11 under chapter 41.06 RCW;

12 (e) To adjustments by the department of revenue of the amount of
13 the surcharge imposed under RCW 82.04.261; or

14 (f) To the extent they are inconsistent with any provisions of
15 chapter 43.43 RCW.

16 (3) (~~Unless a party makes an election for a formal hearing~~
17 ~~pursuant to RCW 82.03.140 or 82.03.190,~~) RCW 34.05.410 through
18 34.05.598 do not apply to a review hearing conducted by the (~~board~~
19 ~~of tax~~) tax division of the court of appeals.

20 (4) The rule-making provisions of this chapter do not apply to:

21 (a) Reimbursement unit values, fee schedules, arithmetic
22 conversion factors, and similar arithmetic factors used to determine
23 payment rates that apply to goods and services purchased under
24 contract for clients eligible under chapter 74.09 RCW; and

25 (b) Adjustments by the department of revenue of the amount of the
26 surcharge imposed under RCW 82.04.261.

27 (5) All other agencies, whether or not formerly specifically
28 excluded from the provisions of all or any part of the administrative
29 procedure act, shall be subject to the entire act.

30 **Sec. 202.** RCW 34.12.020 and 2010 c 211 s 16 are each reenacted
31 and amended to read as follows:

32 (~~Unless the context clearly requires otherwise,~~) The
33 definitions in this section apply throughout this chapter unless the
34 context clearly requires otherwise.

35 (1) "Administrative law judge" means any person appointed by the
36 chief administrative law judge to conduct or preside over hearings as
37 provided in this chapter.

1 (2) "Hearing" means an adjudicative proceeding within the meaning
2 of RCW 34.05.010(1) conducted by a state agency under RCW 34.05.413
3 through 34.05.476.

4 (3) "Office" means the office of administrative hearings.

5 (4) "State agency" means any state board, commission, department,
6 or officer authorized by law to make rules or to conduct adjudicative
7 proceedings, except those in the legislative or judicial branches,
8 the growth management hearings board, the utilities and
9 transportation commission, the pollution control hearings board, the
10 shorelines hearings board, the forest practices appeals board, the
11 environmental and land use hearings office, the board of industrial
12 insurance appeals, the Washington personnel resources board, and the
13 public employment relations commission(~~(, and the board of tax~~
14 ~~appeals)~~).

15 **Sec. 203.** RCW 39.88.060 and 1989 c 378 s 1 are each amended to
16 read as follows:

17 (1) Any taxing district that objects to the apportionment
18 district, the duration of the apportionment, the manner of
19 apportionment, or the propriety of cost items established by the
20 public improvement ordinance of the sponsor may, within thirty days
21 after mailing of the ordinance, petition for review thereof by the
22 (~~state board of tax appeals. The state board of tax appeals shall~~
23 ~~meet within a reasonable time, hear all the evidence presented by the~~
24 ~~parties on matters in dispute, and determine the issues upon the~~
25 ~~evidence as may be presented to it at the hearing. The board~~) tax
26 division of the court of appeals. The tax division may approve or
27 deny the public improvement ordinance as enacted or may grant
28 approval conditioned upon modification of the ordinance by the
29 sponsor. The decision by the (~~state board of tax appeals shall be~~)
30 tax division of the court of appeals is final and conclusive but
31 (~~shall~~) does not preclude modification or discontinuation of the
32 public improvement.

33 (2) If the sponsor modifies the public improvement ordinance as
34 directed by the (~~board~~) tax division of the court of appeals, the
35 public improvement ordinance (~~shall be~~) is effective without
36 further hearings or findings and (~~shall~~) is not (~~be~~) subject to
37 any further appeal. If the sponsor modifies the public improvement
38 ordinance in a manner other than as directed by the (~~board~~) tax
39 division of the court of appeals, the public improvement ordinance

1 ((shall be)) is subject to the procedures established pursuant to RCW
2 39.88.040 and 39.88.050.

3 **Sec. 204.** RCW 42.17A.705 and 2012 c 229 s 582 are each amended
4 to read as follows:

5 For the purposes of RCW 42.17A.700, "executive state officer"
6 includes:

7 (1) The chief administrative law judge, the director of
8 agriculture, the director of the department of services for the
9 blind, the chief information officer of the office of chief
10 information officer, the director of the state system of community
11 and technical colleges, the director of commerce, the director of the
12 consolidated technology services agency, the secretary of
13 corrections, the director of early learning, the director of ecology,
14 the commissioner of employment security, the chair of the energy
15 facility site evaluation council, the director of enterprise
16 services, the secretary of the state finance committee, the director
17 of financial management, the director of fish and wildlife, the
18 executive secretary of the forest practices appeals board, the
19 director of the gambling commission, the secretary of health, the
20 administrator of the Washington state health care authority, the
21 executive secretary of the health care facilities authority, the
22 executive secretary of the higher education facilities authority, the
23 executive secretary of the horse racing commission, the human
24 resources director, the executive secretary of the human rights
25 commission, the executive secretary of the indeterminate sentence
26 review board, the executive director of the state investment board,
27 the director of labor and industries, the director of licensing, the
28 director of the lottery commission, the director of the office of
29 minority and women's business enterprises, the director of parks and
30 recreation, the executive director of the public disclosure
31 commission, the executive director of the Puget Sound partnership,
32 the director of the recreation and conservation office, the director
33 of retirement systems, the director of revenue, the secretary of
34 social and health services, the chief of the Washington state patrol,
35 (~~the executive secretary of the board of tax appeals,~~) the
36 secretary of transportation, the secretary of the utilities and
37 transportation commission, the director of veterans affairs, the
38 president of each of the regional and state universities and the

1 president of The Evergreen State College, and each district and each
2 campus president of each state community college;

3 (2) Each professional staff member of the office of the governor;

4 (3) Each professional staff member of the legislature; and

5 (4) Central Washington University board of trustees, the boards
6 of trustees of each community college and each technical college,
7 each member of the state board for community and technical colleges,
8 state convention and trade center board of directors, Eastern
9 Washington University board of trustees, Washington economic
10 development finance authority, Washington energy northwest executive
11 board, The Evergreen State College board of trustees, executive
12 ethics board, fish and wildlife commission, forest practices appeals
13 board, forest practices board, gambling commission, Washington health
14 care facilities authority, student achievement council, higher
15 education facilities authority, horse racing commission, state
16 housing finance commission, human rights commission, indeterminate
17 sentence review board, board of industrial insurance appeals, state
18 investment board, commission on judicial conduct, legislative ethics
19 board, life sciences discovery fund authority board of trustees,
20 liquor control board, lottery commission, Pacific Northwest electric
21 power and conservation planning council, parks and recreation
22 commission, Washington personnel resources board, board of pilotage
23 commissioners, pollution control hearings board, public disclosure
24 commission, public employees' benefits board, recreation and
25 conservation funding board, salmon recovery funding board, shorelines
26 hearings board, (~~board of tax appeals,~~) transportation commission,
27 University of Washington board of regents, utilities and
28 transportation commission, Washington State University board of
29 regents, and Western Washington University board of trustees.

30 **Sec. 205.** RCW 79.125.450 and 2005 c 155 s 520 are each amended
31 to read as follows:

32 (1) The legislature finds that maintaining public lands in public
33 ownership is often in the public interest. However, when second-class
34 shorelands on navigable lakes have minimal public value, the sale of
35 those shorelands to the abutting upland owner may not be contrary to
36 the public interest. However, the purpose of this section is to
37 remove the prohibition contained in RCW 79.125.200 regarding the sale
38 of second-class shorelands to abutting owners, whose uplands front on
39 the shorelands. Nothing contained in this section (~~shall~~) may be

1 construed to otherwise affect the rights of interested parties
2 relating to public or private ownership of shorelands within the
3 state.

4 (2) Notwithstanding the provisions of RCW 79.125.200, the
5 department may sell second-class shorelands on navigable lakes to
6 abutting owners whose uplands front upon the shorelands in cases
7 where the board has determined that these sales would not be contrary
8 to the public interest. These shorelands (~~shall~~) must be sold at
9 fair market value, but not less than five percent of the fair market
10 value of the abutting upland, less improvements, to a maximum
11 distance of one hundred and fifty feet landward from the line of
12 ordinary high water.

13 (3) Review of the decision of the department regarding the sale
14 price established for a shoreland to be sold pursuant to this section
15 may be obtained by the upland owner by filing a petition with the
16 (~~board of tax appeals created in accordance with chapter 82.03 RCW~~
17 ~~within thirty~~) tax division of the court of appeals within thirty
18 days after the mailing of notification by the department to the owner
19 regarding the price. The (~~board of tax appeals shall~~) tax division
20 of the court of appeals must review the cases in an adjudicative
21 proceeding as described in chapter 34.05 RCW, the administrative
22 procedure act, and the (~~board's~~) court's review (~~shall~~) must be
23 de novo. Decisions of the (~~board of tax~~) tax division of the court
24 of appeals regarding fair market values determined pursuant to this
25 section (~~shall be~~) are final (~~unless appealed to the superior~~
26 ~~court pursuant to RCW 34.05.510 through 34.05.598~~)).

27 **Sec. 206.** RCW 82.01.090 and 1967 ex.s. c 26 s 6 are each amended
28 to read as follows:

29 Except for the powers and duties devolved upon the (~~board of tax~~
30 ~~appeals by the provisions of RCW 82.03.010 through 82.03.190~~) tax
31 appeal division of the court of appeals, the director of revenue
32 (~~shall~~) must, after July 1, 1967, exercise those powers, duties and
33 functions theretofore vested in the tax commission of the state of
34 Washington, including all powers, duties and functions of the
35 commission acting as the commission or as the state board of
36 equalization or in any other capacity.

37 **Sec. 207.** RCW 82.29A.060 and 1994 c 95 s 1 are each amended to
38 read as follows:

1 (1) All administrative provisions in chapters 82.02 and 82.32 RCW
2 (~~shall be~~) are applicable to taxes imposed pursuant to this
3 chapter.

4 (2)(a) A lessee, or a sublessee in the case where the sublessee
5 is responsible for paying the tax imposed under this chapter, of
6 property used for residential purposes may petition the county board
7 of equalization for a change in appraised value when the department
8 of revenue establishes taxable rent under RCW 82.29A.020(2)(~~b~~)
9 (g) based on an appraisal done by the county assessor at the request
10 of the department. The petition must be on forms prescribed or
11 approved by the department (~~of revenue~~) and any petition not
12 conforming to those requirements or not properly completed (~~shall~~)
13 may not be considered by the board. The petition must be filed with
14 the board within the time period set forth in RCW 84.40.038. A
15 decision of the board of equalization may be appealed by the taxpayer
16 to the (~~board of tax~~) tax division of the court of appeals as
17 provided in RCW 84.08.130.

18 (b) A sublessee, in the case where the sublessee is responsible
19 for paying the tax imposed under this chapter, of property used for
20 residential purposes may petition the department for a change in
21 taxable rent when the department of revenue establishes taxable rent
22 under RCW 82.29A.020(2)(~~b~~) (g).

23 (c) Any change in tax resulting from an appeal under this
24 subsection (~~shall~~) must be allocated to the lessee or sublessee
25 responsible for paying the tax.

26 (3) This section (~~shall~~) does not authorize the issuance of any
27 levy upon any property owned by the public lessor.

28 (4) In selecting leasehold excise tax returns for audit the
29 department (~~of revenue shall~~) must give priority to any return an
30 audit of which is specifically requested in writing by the county
31 assessor or treasurer or other chief financial officer of any city or
32 county affected by such return. Notwithstanding the provisions of RCW
33 82.32.330, findings of fact and determinations of the amount of
34 taxable rent made pursuant to the provisions of this chapter
35 (~~shall~~) must be open to public inspection at all reasonable times.

36 **Sec. 208.** RCW 82.32.160 and 2007 c 111 s 110 are each amended to
37 read as follows:

38 (1) Any person having been issued a notice of additional taxes,
39 delinquent taxes, interest, or penalties assessed by the

1 department((τ)) may within (~~thirty~~) ninety days after the issuance
2 of the original notice of the amount thereof or within the period
3 covered by any extension of the due date thereof granted by the
4 department petition the department in writing for a correction of the
5 amount of the assessment, and a conference for examination and review
6 of the assessment, or file an appeal with the tax division of the
7 court of appeals. The petition (~~shall~~) must set forth the reasons
8 why the correction should be granted and the amount of the tax,
9 interest, or penalties, which the petitioner believes to be due. The
10 department (~~shall~~) must promptly consider the petition and may
11 grant or deny it. If denied, the petitioner (~~shall~~) must be
12 notified by mail, or electronically as provided in RCW 82.32.135,
13 thereof forthwith. If a conference is granted, the department
14 (~~shall~~) must fix the time and place therefor and notify the
15 petitioner thereof by mail or electronically as provided in RCW
16 82.32.135. After the conference the department may make such
17 determination as may appear to it to be just and lawful and (~~shall~~)
18 must mail a copy of its determination to the petitioner, or provide a
19 copy of its determination electronically as provided in RCW
20 82.32.135. If no such petition is filed within the (~~thirty-day~~)
21 ninety-day period the assessment covered by the notice shall become
22 final.

23 (2) The procedures provided for (~~herein shall~~) in this section
24 apply also to a notice denying, in whole or in part, an application
25 for a pollution control tax exemption and credit certificate, with
26 such modifications to such procedures established by departmental
27 rules and regulations as may be necessary to accommodate a claim for
28 exemption or credit.

29 **Sec. 209.** RCW 82.32.170 and 2013 c 23 s 324 are each amended to
30 read as follows:

31 Any person, having paid any tax, original assessment, additional
32 assessment, or corrected assessment of any tax((τ)) may apply to the
33 department within the time limitation for refund provided in this
34 chapter, by petition in writing for a correction of the amount
35 paid(~~, and a conference for examination and review of the tax~~
36 ~~liability, in which petition he or she shall set forth the reasons~~
37 ~~why the conference should be granted, and the amount in which the~~
38 ~~tax, interest, or penalty, should be refunded. The department shall~~
39 ~~promptly consider the petition, and may grant or deny it. If denied,~~

1 ~~the petitioner shall be notified by mail, or electronically as~~
2 ~~provided in RCW 82.32.135, thereof forthwith. If a conference is~~
3 ~~granted, the department shall notify the petitioner by mail, or~~
4 ~~electronically as provided in RCW 82.32.135, of the time and place~~
5 ~~fixed therefor. After the hearing, the department may make such~~
6 ~~determination as may appear to it just and lawful, and shall mail a~~
7 ~~copy of its determination to the petitioner, or provide a copy of its~~
8 ~~determination electronically as provided in RCW 82.32.135)). The~~
9 ~~petition must set forth the amount of the tax, interest, or penalty~~
10 ~~the taxpayer contends should be refunded and the reasons. The~~
11 ~~department must promptly consider the petition, and may grant or deny~~
12 ~~it and must notify the taxpayer of its decision by mail, or~~
13 ~~electronically as provided in RCW 82.32.135. If denied, the taxpayer~~
14 ~~may file an appeal with the tax division of the court of appeals~~
15 ~~within ninety days.~~

16 **Sec. 210.** RCW 82.32.180 and 1997 c 156 s 4 are each amended to
17 read as follows:

18 (1) Any person, except one who has failed to keep and preserve
19 books, records, and invoices as required in this chapter and chapter
20 82.24 RCW, (~~having paid any tax as required and feeling aggrieved by~~
21 ~~the amount of the tax)) may appeal to the superior court of Thurston~~
22 ~~county((~~7~~)) or the tax division of the court of appeals. The appeal~~
23 ~~must be filed~~ within the time limitation for a refund provided in
24 ~~this~~ chapter (~~82.32~~ RCW) or, if an application for refund has been
25 made to the department within that time limitation, then within
26 (~~thirty~~) ninety days after rejection of the application, whichever
27 time limitation is later. In the appeal the taxpayer (~~shall~~) must
28 set forth the amount of the tax imposed upon the taxpayer which the
29 taxpayer concedes to be the correct tax and the reason why the tax
30 should be reduced or abated. The appeal shall be perfected by serving
31 a copy of the notice of appeal upon the department within the time
32 (~~herein~~) specified in this section and by filing the original
33 thereof with proof of service with the clerk of the superior court of
34 Thurston county or the tax division of the court of appeals.

35 (2) The trial in the superior court on appeal (~~shall~~) or the
36 ~~tax division of the court of appeals must~~ be de novo and without the
37 necessity of any pleadings other than the notice of appeal. At trial,
38 the burden (~~shall~~) rests upon the taxpayer to prove that the tax as
39 paid by the taxpayer is incorrect, either in whole or in part, and to

1 establish the correct amount of the tax. In such proceeding the
2 taxpayer (~~shall be~~) is deemed the plaintiff, and the state, the
3 defendant; and both parties (~~shall be~~) are entitled to subpoena the
4 attendance of witnesses as in other civil actions and to produce
5 evidence that is competent, relevant, and material to determine the
6 correct amount of the tax that should be paid by the taxpayer. Either
7 party may seek appellate review in the same manner as other civil
8 actions are appealed to the appellate courts.

9 (3) It (~~shall~~) is not (~~be~~) necessary for the taxpayer to
10 protest against the payment of any tax or to make any demand to have
11 the same refunded or to petition the director for a hearing in order
12 to appeal to the superior court or the tax division of the court of
13 appeals, but no court action or proceeding of any kind (~~shall~~) may
14 be maintained by the taxpayer to recover any tax paid, or any part
15 thereof, except as (~~herein~~) provided in this section.

16 (~~The provisions of this section shall not apply to any tax~~
17 ~~payment which has been the subject of an appeal to the board of tax~~
18 ~~appeals with respect to which appeal a formal hearing has been~~
19 ~~elected.~~)

20 **Sec. 211.** RCW 82.49.060 and 1993 c 33 s 1 are each amended to
21 read as follows:

22 (1) Any vessel owner disputing an appraised value under RCW
23 82.49.050 or disputing whether the vessel is taxable, may petition
24 for a conference with the department as provided under RCW 82.32.160,
25 or for reduction of the tax due as provided under RCW 82.32.170.

26 (2) Any vessel owner having received a notice of denial of a
27 petition or a notice of determination made for the owner's vessel
28 under RCW 82.32.160 or 82.32.170 may appeal to the (~~board of tax~~
29 ~~appeals as provided under RCW 82.03.190~~) tax division of the court
30 of appeals. In deciding a case appealed under this section, the
31 (~~board of tax~~) tax division of the court of appeals may require an
32 independent appraisal of the vessel. The cost of the independent
33 appraisal (~~shall~~) must be apportioned between the department and
34 the vessel owner as provided by the (~~board~~) court.

35 **Sec. 212.** RCW 84.08.060 and 1988 c 222 s 9 are each amended to
36 read as follows:

37 (1) The department (~~of revenue shall have~~) has power to direct
38 and to order any county board of equalization to raise or lower the

1 valuation of any taxable property, or to add any property to the
2 assessment list, or to perform or complete any other duty required by
3 statute. The department (~~of revenue~~) may require any such board of
4 equalization to reconvene after its adjournment for the purpose of
5 performing any order or requirement made by the department (~~of~~
6 ~~revenue~~) and may make such orders as it (~~shall~~) determines to be
7 just and necessary.

8 (2) The department may require any county board of equalization
9 to reconvene at any time for the purpose of performing or completing
10 any duty or taking any action it might lawfully have performed or
11 taken at any of its previous meetings. No board may be reconvened
12 later than three years after the date of adjournment of its regularly
13 convened session. If such board of equalization (~~shall~~) fails or
14 refuses (~~forthwith~~) to comply with any such order or requirement of
15 the department (~~of revenue~~), the department (~~of revenue shall~~
16 ~~have~~) has the power to take any other appropriate action, or to make
17 such correction or change in the assessment list, and such
18 corrections and changes (~~shall~~) must be a part of the record of the
19 proceedings of the (~~said~~) board of equalization(~~(:—PROVIDED,~~
20 ~~That)~~). However, in all cases where the department (~~of revenue~~
21 ~~shall~~) raises the valuation of any property or adds property to the
22 assessment list, (~~it shall~~) the department must give notice either
23 for the same time and in the same manner as is now required in like
24 cases of county boards of equalization, or if (~~it shall deem~~) the
25 department deems such method of giving notice impracticable it
26 (~~shall~~) must give notice by publication thereof in a newspaper of
27 general circulation within the county in which the property affected
28 is situated once each week for two consecutive weeks, and the
29 department (~~of revenue shall~~) may not proceed to raise such
30 valuation or add such property to the assessment list until a period
31 of five days (~~shall have~~) has elapsed subsequent to the date of the
32 last publication of such notice(~~(:—PROVIDED—FURTHER, That)~~).
33 Moreover, appeals to the (~~board of tax~~) tax division of the court
34 of appeals by any taxpayer or taxing unit concerning any action of
35 the county board of equalization (~~shall~~) may not raise the
36 valuation of the property to an amount greater than the larger of
37 either the valuation of the property by the county assessor or the
38 valuation of the property assigned by the county board of
39 equalization. Such notice (~~shall~~) must give the legal description
40 of each tract of land involved, or a general description in case of

1 personal property; the tax record-owner thereof; the assessed value
2 thereof determined by the county board of equalization in case the
3 property is on the assessment roll; and the assessed value thereof as
4 determined by the department (~~(of revenue)~~) and (~~shall~~) must state
5 that the department (~~(of revenue)~~) proposes to increase the assessed
6 valuation of such property to the amount stated and to add such
7 property to the assessment list at the assessed valuation stated. The
8 necessary expense incurred by the department (~~(of revenue)~~) in making
9 such reassessment and/or adding such property to the assessment list
10 (~~shall~~) must be borne by the county or township in which the
11 property as reassessed and/or so added to the assessment list is
12 situated and (~~shall~~) must be paid out of the proper funds of such
13 county upon the order of the department of revenue.

14 **Sec. 213.** RCW 84.08.130 and 1998 c 54 s 3 are each amended to
15 read as follows:

16 (1) Any taxpayer or taxing unit feeling aggrieved by the action
17 of any county board of equalization may appeal to the (~~board of~~
18 ~~tax~~) tax division of the court of appeals by filing with the (~~board~~
19 ~~of tax~~) tax division of the court of appeals in accordance with RCW
20 1.12.070 a notice of appeal within thirty days after the mailing of
21 the decision of such board of equalization, which notice (~~shall~~)
22 must specify the actions complained of; and in like manner any county
23 assessor may appeal to the (~~board of tax~~) tax division of the court
24 of appeals from any action of any county board of equalization.
25 (~~There shall be no fee charged for the filing of an appeal. The~~
26 ~~board shall transmit a copy of the notice of appeal to all named~~
27 ~~parties within thirty days of its receipt by the board. Appeals which~~
28 ~~are not filed as provided in this section shall be dismissed. The~~
29 ~~board of tax appeals shall~~) The tax division of the court of appeals
30 must transmit a copy of the notice of appeal to all named parties
31 within thirty days of its receipt by the tax division of the court of
32 appeals. Appeals which are not filed as provided in this section must
33 be dismissed. The tax division of the court of appeals must require
34 the board appealed from to file a true and correct copy of its
35 decision in such action and all evidence taken in connection
36 therewith, and may receive further evidence, and (~~shall~~) must make
37 such order as in its judgment is just and proper.

38 (2) The (~~board of tax~~) tax division of the court of appeals may
39 enter an order, pursuant to subsection (1) of this section, that has

1 effect up to the end of the assessment cycle used by the assessor, if
2 there has been no intervening change in the value during that time.

3 **Sec. 214.** RCW 84.33.091 and 1998 c 311 s 13 are each amended to
4 read as follows:

5 (1) The department (~~of revenue shall~~) must designate areas
6 containing timber having similar growing, harvesting, and marketing
7 conditions to be used as units for the preparation and application of
8 stumpage values. Each year on or before December 31st for use the
9 following January through June 30th, and on or before June 30th for
10 use the following July through December 31st, the department
11 (~~shall~~) must prepare tables of stumpage values of each species or
12 subclassification of timber within these units. The stumpage value
13 (~~shall be~~) is the amount that each such species or
14 subclassification would sell for at a voluntary sale made in the
15 ordinary course of business for purposes of immediate harvest. These
16 stumpage values, expressed in terms of a dollar amount per thousand
17 board feet or other unit measure, (~~shall~~) must be determined in a
18 manner which makes reasonable and adequate allowances for age, size,
19 quality, costs of removal, accessibility to point of conversion,
20 market conditions, and all other relevant factors from:

21 (a) Gross proceeds from sales on the stump of similar timber of
22 like quality and character at similar locations, and in similar
23 quantities;

24 (b) Gross proceeds from sales of logs adjusted to reflect only
25 the portion of such proceeds attributable to value on the stump
26 immediately prior to harvest; or

27 (c) A combination of (a) and (b) of this subsection.

28 (2) Upon application from any person who plans to harvest damaged
29 timber, the stumpage values for which have been materially reduced
30 from the values shown in the applicable tables due to damage
31 resulting from fire, blow down, ice storm, flood, or other sudden
32 unforeseen cause, the department (~~shall~~) must revise the stumpage
33 value tables for any area in which such timber is located and shall
34 specify any additional accounting or other requirements to be
35 complied with in reporting and paying the tax.

36 (3) The preliminary area designations and stumpage value tables
37 and any revisions thereof are subject to review by the ways and means
38 committees of the house of representatives and senate prior to
39 finalization. Tables of stumpage values (~~shall~~) must be signed by

1 the director or the director's designee. A copy thereof (~~shall~~)
2 must be mailed to anyone who has submitted to the department a
3 written request for a copy.

4 (4) On or before the sixtieth day after the date of final
5 adoption of any stumpage value tables, any harvester may appeal to
6 the (~~board of tax~~) tax division of the court of appeals for a
7 revision of stumpage values for an area determined pursuant to
8 subsection (3) of this section.

9 **Sec. 215.** RCW 84.34.065 and 2014 c 97 s 310 are each amended to
10 read as follows:

11 (1) The true and fair value of farm and agricultural land
12 (~~shall~~) must be determined by consideration of the earning or
13 productive capacity of comparable lands from crops grown most
14 typically in the area averaged over not less than five years,
15 capitalized at indicative rates. The earning or productive capacity
16 of farm and agricultural lands is the "net cash rental," capitalized
17 at a "rate of interest" charged on long term loans secured by a
18 mortgage on farm or agricultural land plus a component for property
19 taxes. The current use value of land under RCW 84.34.020(2)(f) must
20 be established as: The prior year's average value of open space farm
21 and agricultural land used in the county plus the value of land
22 improvements such as septic, water, and power used to serve the
23 residence. This may not be interpreted to require the assessor to
24 list improvements to the land with the value of the land.

25 (2) For the purposes of the (~~above~~) computation in subsection
26 (1) of this section:

27 (a)(i) The term "net cash rental" means the average rental paid
28 on an annual basis, in cash, for the land being appraised and other
29 farm and agricultural land of similar quality and similarly situated
30 that is available for lease for a period of at least three years to
31 any reliable person without unreasonable restrictions on its use for
32 production of agricultural crops. There is allowed as a deduction
33 from the rental received or computed any costs of crop production
34 charged against the landlord if the costs are such as are customarily
35 paid by a landlord. If "net cash rental" data is not available, the
36 earning or productive capacity of farm and agricultural lands is
37 determined by the cash value of typical or usual crops grown on land
38 of similar quality and similarly situated averaged over not less than

1 five years. Standard costs of production are allowed as a deduction
2 from the cash value of the crops.

3 (ii) The current "net cash rental" or "earning capacity" is
4 determined by the assessor with the advice of the advisory committee
5 as provided in RCW 84.34.145, and through a continuing internal
6 study, assisted by studies of the department (~~(of revenue)~~). This net
7 cash rental figure as it applies to any farm and agricultural land
8 may be challenged before the same boards or authorities as would be
9 the case with regard to assessed values on general property.

10 (b)(i) (~~The term~~) "Rate of interest" means the rate of interest
11 charged by the farm credit administration and other large financial
12 institutions regularly making loans secured by farm and agricultural
13 lands through mortgages or similar legal instruments, averaged over
14 the immediate past five years.

15 (ii) The "rate of interest" must be determined annually by a rule
16 adopted by the department (~~(of revenue)~~) and such rule must be
17 published in the state register not later than January 1st of each
18 year for use in that assessment year. The department (~~(of revenue)~~)
19 determination may be appealed to the (~~(state board of tax)~~) tax
20 division of the court of appeals within thirty days after the date of
21 publication by any owner of farm or agricultural land or the assessor
22 of any county containing farm and agricultural land.

23 (c) (~~The~~) "Component for property taxes" (~~is~~) means a figure
24 obtained by dividing the assessed value of all property in the county
25 into the property taxes levied within the county in the year
26 preceding the assessment and multiplying the quotient obtained by one
27 hundred.

28 **Sec. 216.** RCW 84.36.850 and 2013 c 23 s 352 are each amended to
29 read as follows:

30 (1) Any applicant aggrieved by the department's (~~(of revenue's)~~)
31 denial of an exemption application may petition the (~~(state board of~~
32 ~~tax)~~) tax division of the court of appeals to review an application
33 for either real or personal property tax exemption and the (~~board~~
34 ~~shall~~) tax division of the court of appeals must consider any
35 appeals to determine (~~(1)~~): If the property is entitled to an
36 exemption(~~(r)~~); and (~~(2)~~) the amount or portion thereof.

37 (2) A county assessor of the county in which the exempted
38 property is located (~~(shall be)~~) is empowered to appeal to the
39 (~~(state board of tax)~~) tax division of the court of appeals to review

1 any real or personal property tax exemption approved by the
2 department (~~(of revenue which)~~) that he or she feels is not
3 warranted.

4 (3) Appeals from a department (~~(of revenue)~~) decision must be
5 made within thirty days after the mailing of the approval or denial.

6 **Sec. 217.** RCW 84.39.020 and 2005 c 253 s 2 are each amended to
7 read as follows:

8 (1) Each claimant applying for assistance under RCW 84.39.010
9 (~~(shall)~~) must file a claim with the department, on forms prescribed
10 by the department, no later than thirty days before the tax is due.
11 The department may waive this requirement for good cause shown. The
12 department (~~(shall)~~) must supply forms to the county assessor to
13 allow persons to apply for the program at the county assessor's
14 office.

15 (2) The claim (~~(shall)~~) must designate the property to which the
16 assistance applies and (~~(shall)~~) must include a statement setting
17 forth (~~(a)~~): A list of all members of the claimant's household(~~(
18 b~~)); facts establishing the eligibility under this section(~~(
19 c~~); and (~~(e)~~) any other relevant information required by the rules of
20 the department. Each copy (~~(shall)~~) must be signed by the claimant
21 subject to the penalties as provided in chapter 9A.72 RCW for false
22 swearing. The first claim (~~(shall)~~) must include proof of the
23 claimant's age acceptable to the department.

24 (3)(a) The following documentation (~~(shall)~~) must be filed with a
25 claim along with any other documentation required by the department:

26 (~~(a)~~) (i) The deceased veteran's DD 214 report of separation,
27 or its equivalent, that must be under honorable conditions;

28 (~~(b)~~) (ii) A copy of the applicant's certificate of marriage to
29 the deceased;

30 (~~(c)~~) (iii) A copy of the deceased veteran's death certificate;
31 and

32 (~~(d)~~) (iv) A letter from the United States veterans'
33 administration certifying that the death of the veteran meets the
34 requirements of RCW 84.39.010(2).

35 (b) The department of veterans affairs (~~(shall)~~) must assist an
36 eligible widow or widower in the preparation and submission of an
37 application and the procurement of necessary substantiating
38 documentation.

1 (4) The department (~~shall~~) must determine if each claimant is
2 eligible each year. Any applicant aggrieved by the department's
3 denial of assistance may petition the (~~state board of tax~~) tax
4 division of the court of appeals to review the denial and the (~~board~~
5 ~~shall~~) tax division of the court of appeals must consider any
6 appeals to determine (~~(a)~~): If the claimant is entitled to
7 assistance; and (~~(b)~~) the amount or portion thereof.

8 **Sec. 218.** RCW 84.40.038 and 2014 c 97 s 407 are each amended to
9 read as follows:

10 (1) The owner or person responsible for payment of taxes on any
11 property may petition the county board of equalization for a change
12 in the assessed valuation placed upon such property by the county
13 assessor or for any other reason specifically authorized by statute.
14 Such petition must be made on forms prescribed or approved by the
15 department (~~of revenue~~) and any petition not conforming to those
16 requirements or not properly completed may not be considered by the
17 board. The petition must be filed with the board:

18 (a) On or before July 1st of the year of the assessment or
19 determination;

20 (b) Within thirty days after the date the assessment, value
21 change notice, or other notice was mailed;

22 (c) Within thirty days after the date that the assessor
23 electronically (i) transmitted the assessment, value change notice,
24 or other notice, or (ii) notified the owner or person responsible for
25 payment of taxes that the assessment, value change notice, or other
26 notice was available to be accessed by the owner or other person; or

27 (d) Within a time limit of up to sixty days adopted by the county
28 legislative authority, whichever is later. If a county legislative
29 authority sets a time limit, the authority may not change the limit
30 for three years from the adoption of the limit.

31 (2) The board of equalization may waive the filing deadline if
32 the petition is filed within a reasonable time after the filing
33 deadline and the petitioner shows good cause for the late filing.
34 However, the board of equalization must waive the filing deadline for
35 the circumstance described under (f) of this subsection if the
36 petition is filed within a reasonable time after the filing deadline.
37 The decision of the board of equalization regarding a waiver of the
38 filing deadline is final and not appealable under RCW 84.08.130. Good

1 cause may be shown by one or more of the following events or
2 circumstances:

3 (a) Death or serious illness of the taxpayer or his or her
4 immediate family;

5 (b) The taxpayer was absent from the address where the taxpayer
6 normally receives the assessment or value change notice, was absent
7 for more than fifteen days of the days allowed in subsection (1) of
8 this section before the filing deadline, and the filing deadline is
9 after July 1;

10 (c) Incorrect written advice regarding filing requirements
11 received from board of equalization staff, county assessor's staff,
12 or staff of the property tax advisor designated under RCW 84.48.140;

13 (d) Natural disaster such as flood or earthquake;

14 (e) Delay or loss related to the delivery of the petition by the
15 postal service, and documented by the postal service;

16 (f) The taxpayer was not sent a revaluation notice under RCW
17 84.40.045 for the current assessment year and the taxpayer can
18 demonstrate both of the following:

19 (i) The taxpayer's property value did not change from the
20 previous year; and

21 (ii) The taxpayer's property is located in an area revalued by
22 the assessor for the current assessment year; or

23 (g) Other circumstances as the department may provide by rule.

24 (3) The owner or person responsible for payment of taxes on any
25 property may request that the appeal be heard by the (~~state board of~~
26 ~~tax~~) tax division of the court of appeals without a hearing by the
27 county board of equalization when the assessor, the owner or person
28 responsible for payment of taxes on the property, and a majority of
29 the county board of equalization agree that a direct appeal to the
30 (~~state board of tax~~) tax division of the court of appeals is
31 appropriate. The (~~state board of tax~~) tax division of the court of
32 appeals may reject the appeal, in which case the county board of
33 equalization must consider the appeal under RCW 84.48.010. Notice of
34 such a rejection, together with the reason therefor, must be provided
35 to the affected parties and the county board of equalization within
36 thirty days of receipt of the direct appeal by the (~~state board~~)
37 tax division of the court of appeals.

38 **Sec. 219.** RCW 84.48.080 and 2008 c 86 s 502 are each amended to
39 read as follows:

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

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

26 (b) The department (~~(shall)~~) must keep a full record of its
27 proceedings and the same (~~(shall)~~) must be published annually by the
28 department.

29 (2) The department (~~(shall)~~) must levy the state taxes authorized
30 by law. The amount levied in any one year for general state purposes
31 (~~(shall)~~) may not exceed the lawful dollar rate on the dollar of the
32 assessed value of the property of the entire state, which assessed
33 value (~~(shall)~~) must be one hundred percent of the true and fair
34 value of the property in money. The department (~~(shall)~~) must
35 apportion the amount of tax for state purposes levied by the
36 department, among the several counties, in proportion to the
37 valuation of the taxable property of the county for the year as
38 equalized by the department(~~(:—PROVIDED,—That)~~). However, for
39 purposes of this apportionment, the department (~~(shall)~~) must
40 recompute the previous year's levy and the apportionment thereof to

1 correct for changes and errors in taxable values reported to the
2 department after October 1 of the preceding year and (~~shall~~) must
3 adjust the apportioned amount of the current year's state levy for
4 each county by the difference between the apportioned amounts
5 established by the original and revised levy computations for the
6 previous year. For purposes of this section, changes in taxable
7 values mean a final adjustment made by a county board of
8 equalization, (~~the state board of tax appeals, or~~) a court of
9 competent jurisdiction (~~and shall~~), or the tax division of the
10 court of appeals and must include additions of omitted property,
11 other additions or deletions from the assessment or tax rolls, any
12 assessment return provided by a county to the department subsequent
13 to December 1st, or a change in the indicated ratio of a county.
14 Errors in taxable values mean errors corrected by a final reviewing
15 body.

16 (3) The department (~~shall have~~) has authority to adopt rules
17 and regulations to enforce obedience to its orders in all matters in
18 relation to the returns of county assessments, the equalization of
19 values, and the apportionment of the state levy by the department.

20 (4) After the completion of the duties prescribed in this
21 section, the director of the department (~~shall~~) must certify the
22 record of the proceedings of the department under this section, the
23 tax levies made for state purposes and the apportionment thereof
24 among the counties, and the certification (~~shall~~) must be available
25 for public inspection.

26 **Sec. 220.** RCW 84.52.018 and 1994 c 124 s 37 are each amended to
27 read as follows:

28 (1) Whenever any property value or claim for exemption or
29 cancellation of a property assessment is appealed to the (~~state~~
30 ~~board of tax appeals or~~) court of competent jurisdiction or tax
31 division of the court of appeals and the dollar difference between
32 the total value asserted by the taxpayer and the total value asserted
33 by the opposing party exceeds one-fourth of one percent of the total
34 assessed value of property in the county, the assessor (~~shall~~) may
35 use only that portion of the total value which is not in controversy
36 for purposes of computing the levy rates and extending the tax on the
37 tax roll in accordance with this chapter, unless the (~~state board of~~
38 ~~tax~~) tax division of the court of appeals has issued its
39 determination at the time of extending the tax.

1 (2) When the (~~state board of tax~~) tax division of the court of
2 appeals or court of competent jurisdiction makes its final
3 determination, the proper amount of tax (~~shall~~) must be extended
4 and collected for each taxing district if this has not already been
5 done. The amount of tax collected and extended (~~shall~~) must include
6 interest at the rate of nine percent per year on the amount of the
7 (~~board's~~) tax division of the court of appeals' final determination
8 minus the amount not in controversy. The interest (~~shall~~) accrues
9 from the date the taxes on the amount not in controversy were first
10 due and payable. Any amount extended in excess of that permitted by
11 chapter 84.55 RCW (~~shall~~) must be held in abeyance and used to
12 reduce the levy rates of the next succeeding levy.

13 **Sec. 221.** RCW 84.56.290 and 1991 c 245 s 37 are each amended to
14 read as follows:

15 (1) Whenever any tax (~~shall have been heretofore, or shall be~~
16 ~~hereafter,~~) has been canceled, reduced, or modified in any final
17 judicial, county board of equalization, (~~state board of tax~~
18 ~~appeals,~~) or administrative proceeding; or whenever any tax (~~shall~~
19 ~~have been heretofore, or shall be hereafter,~~) has been canceled by
20 sale of property to any irrigation district under foreclosure
21 proceedings for delinquent irrigation district assessments; or
22 whenever any contracts or leases on public lands (~~shall have been~~
23 ~~heretofore, or shall be hereafter,~~) has been canceled and the tax
24 thereon remains unpaid for a period of two years, the director (~~of~~
25 ~~revenue shall~~) must, upon receipt from the county treasurer of a
26 certified copy of the final judgment, order, or decree canceling,
27 reducing, or modifying taxes, or of a certificate from the county
28 treasurer of the cancellation by sale to an irrigation district, or
29 of a certificate from the commissioner of public lands and the county
30 treasurer of the cancellation of public land contracts or leases and
31 nonpayment of taxes thereon, as the case may be, make corresponding
32 entries and corrections on the director's records of the state's
33 portion of reduced or canceled tax.

34 (2) Upon canceling taxes deemed uncollectible, the county
35 commissioners (~~shall~~) must notify the county treasurer of such
36 action, whereupon the county treasurer (~~shall~~) must deduct on the
37 treasurer's records the amount of such uncollectible taxes due the
38 various state funds and (~~shall~~) must immediately notify the
39 department (~~of revenue~~) of the treasurer's action and of the reason

1 therefor; which uncollectible tax (~~shall not then nor thereafter~~
2 ~~be~~) is not due or owing the various state funds and the necessary
3 corrections (~~shall~~) must be made by the county treasurer upon the
4 quarterly settlement next following.

5 (3) When any assessment of property is made which does not appear
6 on the assessment list certified by the county board of equalization
7 to the department (~~of revenue~~) the county assessor (~~shall~~) must
8 indicate to the county treasurer the assessments and the taxes due
9 therefrom when the list is delivered to the county treasurer on
10 December 15th. The county treasurer (~~shall~~) must then notify the
11 department (~~of revenue~~) of the taxes due the state from the
12 assessments which did not appear on the assessment list certified by
13 the county board of equalization to the department (~~of revenue~~).
14 The county treasurer (~~shall~~) must make proper accounting of all
15 sums collected as either advance tax, compensating or additional tax,
16 or supplemental or omitted tax and (~~shall~~) must notify the
17 department (~~of revenue~~) of the amounts due the various state funds
18 according to the levy used in extending such tax, and those amounts
19 (~~shall~~) immediately become due and owing to the various state
20 funds, to be paid to the state treasurer in the same manner as taxes
21 extended on the regular tax roll.

22 **Sec. 222.** RCW 84.69.020 and 2005 c 502 s 9 are each amended to
23 read as follows:

24 (1) On the order of the county treasurer, ad valorem taxes paid
25 before or after delinquency (~~shall~~) must be refunded if they were:

- 26 ((+1)) (a) Paid more than once;
- 27 ((+2)) (b) Paid as a result of manifest error in description;
- 28 ((+3)) (c) Paid as a result of a clerical error in extending the
29 tax rolls;
- 30 ((+4)) (d) Paid as a result of other clerical errors in listing
31 property;
- 32 ((+5)) (e) Paid with respect to improvements which did not exist
33 on assessment date;
- 34 ((+6)) (f) Paid under levies or statutes adjudicated to be
35 illegal or unconstitutional;
- 36 ((+7)) (g) Paid as a result of mistake, inadvertence, or lack of
37 knowledge by any person exempted from paying real property taxes or a
38 portion thereof pursuant to RCW 84.36.381 through 84.36.389, as now
39 or hereafter amended;

1 ~~((8))~~ (h) Paid as a result of mistake, inadvertence, or lack of
2 knowledge by either a public official or employee or by any person
3 with respect to real property in which the person paying the same has
4 no legal interest;

5 ~~((9))~~ (i) Paid on the basis of an assessed valuation which was
6 appealed to the county board of equalization and ordered reduced by
7 the board;

8 ~~((10))~~ (j) Paid on the basis of an assessed valuation ~~((which))~~
9 that was appealed to the ~~((state board of tax))~~ tax division of the
10 court of appeals and ordered reduced by the ~~((board: PROVIDED, That))~~
11 tax division of the court of appeals. However, the amount refunded
12 under ~~((subsections (9) and (10) of this section shall))~~ (i) and (j)
13 of this subsection (1) may only be for the difference between the tax
14 paid on the basis of the appealed valuation and the tax payable on
15 the valuation adjusted in accordance with the ~~((board's))~~ court's
16 order;

17 ~~((11))~~ (k) Paid as a state property tax levied upon property,
18 the assessed value of which has been established by the ~~((state board~~
19 ~~of tax))~~ tax division of the court of appeals for the year of such
20 levy~~((: PROVIDED, HOWEVER, That))~~. However, the amount refunded
21 ~~((shall))~~ may only be for the difference between the state property
22 tax paid and the amount of state property tax which would, when added
23 to all other property taxes within the one percent limitation of
24 Article VII, section 2 of the state Constitution equal one percent of
25 the assessed value established by the ~~((board))~~ court;

26 ~~((12))~~ (l) Paid on the basis of an assessed valuation which was
27 adjudicated to be unlawful or excessive~~((: PROVIDED, That))~~. However,
28 the amount refunded ~~((shall))~~ must be for the difference between the
29 amount of tax which was paid on the basis of the valuation adjudged
30 unlawful or excessive and the amount of tax payable on the basis of
31 the assessed valuation determined as a result of the proceeding;

32 ~~((13))~~ (m) Paid on property acquired under RCW 84.60.050, and
33 canceled under RCW 84.60.050(2);

34 ~~((14))~~ (n) Paid on the basis of an assessed valuation that was
35 reduced under RCW 84.48.065;

36 ~~((15))~~ (o) Paid on the basis of an assessed valuation that was
37 reduced under RCW 84.40.039; or

38 ~~((16))~~ (p) Abated under RCW 84.70.010.

39 (2) No refunds under the provisions of this section ~~((shall))~~ may
40 be made because of any error in determining the valuation of

1 property, except as authorized in subsection(~~(9), (10), (11), and~~
2 ~~(12)~~) (1)(i), (j), (k), and (l) of this section nor may any refunds
3 be made if a bona fide purchaser has acquired rights that would
4 preclude the assessment and collection of the refunded tax from the
5 property that should properly have been charged with the tax. Any
6 refunds made on delinquent taxes (~~(shall)~~) must include the
7 proportionate amount of interest and penalties paid. However, no
8 refunds as a result of an incorrect payment authorized under
9 subsection (~~(8)~~) (1)(h) of this section made by a third party payee
10 (~~(shall)~~) may be granted. The county treasurer may deduct from moneys
11 collected for the benefit of the state's levy, refunds of the state
12 levy including interest on the levy as provided by this section and
13 chapter 84.68 RCW.

14 (3) The county treasurer of each county (~~(shall)~~) must make all
15 refunds determined to be authorized by this section, and by the first
16 Monday in February of each year, report to the county legislative
17 authority a list of all refunds made under this section during the
18 previous year. The list is to include the name of the person
19 receiving the refund, the amount of the refund, and the reason for
20 the refund.

21 **Sec. 223.** RCW 84.69.030 and 2014 c 16 s 1 are each amended to
22 read as follows:

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

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

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

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

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

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

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

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

4 NEW SECTION. **Sec. 224.** To provide an orderly transition in
5 establishing the tax division of the court of appeals, beginning
6 February 1, 2017, prior to the creation of the tax division of the
7 court of appeals, judges for the tax division of the court of appeals
8 may take any action necessary to enable the judges to properly
9 exercise the duties, functions, and powers given the tax division of
10 the court of appeals.

11 **Sec. 225.** RCW 84.69.180 and 2013 c 239 s 1 are each amended to
12 read as follows:

13 (1) Taxing districts other than the state may levy a tax upon all
14 the taxable property within the district for the purpose of:

15 (a) Funding refunds paid or to be paid under this chapter, except
16 for refunds under RCW 84.69.020(1)(a), including interest, as ordered
17 by the county treasurer or county legislative authority within the
18 preceding twelve months; and

19 (b) Reimbursing the taxing district for taxes abated or
20 (~~cancelled~~) canceled, offset by any supplemental taxes collected
21 under this title, other than amounts collected under RCW 84.52.018
22 within the preceding twelve months. This subsection (1)(b) only
23 applies to abatements and cancellations that do not require a refund
24 under this chapter. Abatements and cancellations that require a
25 refund are included within the scope of (a) of this subsection.

26 (2) As provided in RCW 84.55.070, the provisions of chapter 84.55
27 RCW do not apply to a levy made by or for a taxing district under
28 this section.

29 NEW SECTION. **Sec. 226.** (1) The state board of tax appeals is
30 transferred to the tax division of the court of appeals.

31 (2)(a) All reports, documents, surveys, books, records, files,
32 papers, or written material in the possession of the state board of
33 tax appeals must be delivered to the custody of the tax division of
34 the court of appeals. All cabinets, furniture, office equipment,
35 motor vehicles, and other tangible property employed by the state
36 board of tax appeals must be made available to the tax division of
37 the court of appeals. All funds, credits, or other assets held by the

1 state board of tax appeals must be assigned to the tax division of
2 the court of appeals.

3 (b) Any appropriations made to the state board of tax appeals, on
4 the effective date of this section, must be transferred and credited
5 to the tax division of the court of appeals.

6 (c) If any question arises as to the transfer of any personnel,
7 funds, books, documents, records, papers, files, equipment, or other
8 tangible property used or held in the exercise of the powers and the
9 performance of the duties and functions transferred, the director of
10 financial management must make a determination as to the proper
11 allocation and certify the same to the state agencies concerned.

12 (3) All employees of the state board of tax appeals are
13 transferred to the jurisdiction of the tax division of the court of
14 appeals. All employees classified under chapter 41.06 RCW, the state
15 civil service law, are assigned to the tax division of the court of
16 appeals to perform their usual duties upon the same terms as
17 formerly, without any loss of rights, subject to any action that may
18 be appropriate thereafter in accordance with the laws and rules
19 governing state civil service.

20 (4) All rules and all pending business before the state board of
21 tax appeals must be continued and acted upon by the tax division of
22 the court of appeals. All existing contracts and obligations remain
23 in full force and must be performed by the tax division of the court
24 of appeals.

25 (5) The transfer of the powers, duties, functions, and personnel
26 of the state board of tax appeals does not affect the validity of any
27 act performed before the effective date of this section.

28 (6) If apportionments of budgeted funds are required because of
29 the transfers directed by this section, the director of financial
30 management must certify the apportionments to the agencies affected,
31 the state auditor, and the state treasurer. Each of these must make
32 the appropriate transfer and adjustments in funds and appropriation
33 accounts and equipment records in accordance with the certification.

34 NEW SECTION. **Sec. 227.** The following acts or parts of acts are
35 each repealed:

36 (1) RCW 82.03.010 (Board created) and 1967 ex.s. c 26 s 30;

37 (2) RCW 82.03.020 (Members—Number—Qualifications—Appointment)
38 and 1967 ex.s. c 26 s 31;

39 (3) RCW 82.03.030 (Terms—Vacancies) and 1967 ex.s. c 26 s 32;

1 (4) RCW 82.03.040 (Removal of members—Grounds—Procedure) and
2 1967 ex.s. c 26 s 33;

3 (5) RCW 82.03.050 (Operation on part-time or full-time basis—
4 Salary—Compensation—Travel expenses) and 2013 c 23 s 311, 1975-'76
5 2nd ex.s. c 34 s 176, 1970 ex.s. c 65 s 2, & 1967 ex.s. c 26 s 34;

6 (6) RCW 82.03.060 (Members not to be candidate or hold public
7 office, engage in inconsistent occupation nor be on political
8 committee—Restriction on leaving board) and 2013 c 23 s 312 & 1967
9 ex.s. c 26 s 35;

10 (7) RCW 82.03.070 (Executive director, tax referees, clerk,
11 assistants) and 1988 c 222 s 2 & 1967 ex.s. c 26 s 36;

12 (8) RCW 82.03.080 (Chair) and 2013 c 23 s 313 & 1967 ex.s. c 26 s
13 37;

14 (9) RCW 82.03.090 (Office of board—Quorum—Hearings) and 1967
15 ex.s. c 26 s 38;

16 (10) RCW 82.03.100 (Findings and decisions—Signing—Filing—
17 Public inspection) and 1967 ex.s. c 26 s 39;

18 (11) RCW 82.03.110 (Publication of findings and decisions) and
19 1967 ex.s. c 26 s 40;

20 (12) RCW 82.03.120 (Journal of final findings and decisions) and
21 1988 c 222 s 3 & 1967 ex.s. c 26 s 41;

22 (13) RCW 82.03.130 (Appeals to board—Jurisdiction as to types of
23 appeals—Filing) and 2005 c 253 s 7, 1998 c 54 s 1, 1994 c 123 s 3,
24 1992 c 206 s 9, 1989 c 378 s 4, 1982 1st ex.s. c 46 s 6, 1977 ex.s. c
25 284 s 2, & 1967 ex.s. c 26 s 42;

26 (14) RCW 82.03.140 (Appeals to board—Election of formal or
27 informal hearing) and 2000 c 103 s 1, 1988 c 222 s 4, 1982 1st ex.s.
28 c 46 s 8, & 1967 ex.s. c 26 s 43;

29 (15) RCW 82.03.150 (Appeals to board—Informal hearings, powers of
30 board or tax referees—Assistance) and 2000 c 103 s 2, 1988 c 222 s 5,
31 & 1967 ex.s. c 26 s 44;

32 (16) RCW 82.03.160 (Appeals to board—Formal hearings, powers of
33 board or tax referees—Assistance) and 2000 c 103 s 3, 1989 c 175 s
34 175, 1988 c 222 s 6, & 1967 ex.s. c 26 s 45;

35 (17) RCW 82.03.170 (Rules of practice and procedure) and 1988 c
36 222 s 7 & 1967 ex.s. c 26 s 46;

37 (18) RCW 82.03.180 (Judicial review) and 2000 c 103 s 4, 1989 c
38 175 s 176, 1982 1st ex.s. c 46 s 9, & 1967 ex.s. c 26 s 47;

1 (19) RCW 82.03.190 (Appeal to board from denial of petition or
2 notice of determination as to reduction or refund—Procedure—Notice)
3 and 2012 c 39 s 3, 1998 c 54 s 2, 1989 c 378 s 5, 1983 c 3 s 211,
4 1979 ex.s. c 209 s 50, 1975 1st ex.s. c 158 s 3, & 1967 ex.s. c 26 s
5 48;

6 (20) RCW 82.03.200 (Appeals from county board of equalization—
7 Evidence submission in advance of hearing) and 1994 c 301 s 17; and

8 (21) RCW 82.32.150 (Contest of tax—Prepayment required—
9 Restraining orders and injunctions barred) and 1961 c 15 s 82.32.150.

10 **PART III**

11 **Miscellaneous Provisions**

12 NEW SECTION. **Sec. 301.** (1) Except for sections 226 and 227 of
13 this act, this act takes effect January 1, 2016.

14 (2) Sections 226 and 227 of this act take effect July 1, 2017.

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