
SENATE BILL 5395

State of Washington

68th Legislature

2023 Regular Session

By Senator Lovick

1 AN ACT Relating to increasing the real estate technology fee
2 dedicated to the maintenance and operation of property tax and real
3 estate excise tax electronic processing, reporting, and revaluation
4 systems; and amending RCW 82.45.180.

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

6 **Sec. 1.** RCW 82.45.180 and 2013 c 251 s 11 are each amended to
7 read as follows:

8 (1)(a) For taxes collected by the county under this chapter, the
9 county treasurer shall collect a ~~((five-dollar))~~ \$5 fee on all
10 transactions required by this chapter where the transaction does not
11 require the payment of tax. A total of ~~((five-dollars))~~ \$5 shall be
12 collected in the form of a tax and fee, where the calculated tax
13 payment is less than ~~((five-dollars))~~ \$5. ~~((Through June 30, 2006,~~
14 ~~the county treasurer shall place one percent of the taxes collected~~
15 ~~by the county under this chapter and the treasurer's fee in the~~
16 ~~county current expense fund to defray costs of collection. After June~~
17 ~~30, 2006, the))~~ The county treasurer shall place one and three-tenths
18 percent of the taxes collected by the county under this chapter and
19 the treasurer's fee in the county current expense fund to defray
20 costs of collection. ~~((For taxes collected by the county under this~~
21 ~~chapter before July 1, 2006, the county treasurer shall pay over to~~

1 ~~the state treasurer and account to the department of revenue for the~~
2 ~~proceeds at the same time the county treasurer remits funds to the~~
3 ~~state under RCW 84.56.280. For taxes collected by the county under~~
4 ~~this chapter after June 30, 2006, on))~~ On a monthly basis the county
5 treasurer shall pay over to the state treasurer the month's
6 transmittal. The month's transmittal must be received by the state
7 treasurer by 12:00 p.m. on the last working day of each month. The
8 county treasurer shall account to the department for the month's
9 transmittal by the (~~twentieth~~) 20th day of the month following the
10 month in which the month's transmittal was paid over to the state
11 treasurer. The state treasurer shall deposit the proceeds in the
12 general fund.

13 (b) For purposes of this subsection, the definitions in this
14 subsection apply.

15 (i) "Close of business" means the time when the county treasurer
16 makes his or her daily deposit of proceeds.

17 (ii) "Month's transmittal" means all proceeds deposited by the
18 county through the close of business of the day that is two working
19 days before the last working day of the month. This definition of
20 "month's transmittal" shall not be construed as requiring any change
21 in a county's practices regarding the timing of its daily deposits of
22 proceeds.

23 (iii) "Proceeds" means moneys collected and receipted by the
24 county from the taxes imposed by this chapter, less the county's
25 share of the proceeds used to defray the county's costs of collection
26 allowable in (a) of this subsection.

27 (iv) "Working day" means a calendar day, except Saturdays,
28 Sundays, and all legal holidays as provided in RCW 1.16.050.

29 (2) For taxes collected by the department of revenue under this
30 chapter, the department shall remit the tax to the state treasurer
31 who shall deposit the proceeds of any state tax in the general fund.
32 The state treasurer shall deposit the proceeds of any local taxes
33 imposed under chapter 82.46 RCW in the local real estate excise tax
34 account hereby created in the state treasury. Moneys in the local
35 real estate excise tax account may be spent only for distribution to
36 counties, cities, and towns imposing a tax under chapter 82.46 RCW.
37 Except as provided in RCW 43.08.190, all earnings of investments of
38 balances in the local real estate excise tax account shall be
39 credited to the local real estate excise tax account and distributed
40 to the counties, cities, and towns monthly. Monthly the state

1 treasurer shall make distribution from the local real estate excise
2 tax account to the counties, cities, and towns the amount of tax
3 collected on behalf of each taxing authority. The state treasurer
4 shall make the distribution under this subsection without
5 appropriation.

6 ~~(3) (a) ((Through June 30, 2010, the county treasurer shall~~
7 ~~collect an additional five dollar fee on all transactions required by~~
8 ~~this chapter, regardless of whether the transaction requires the~~
9 ~~payment of tax. The county treasurer shall remit this fee to the~~
10 ~~state treasurer at the same time the county treasurer remits funds to~~
11 ~~the state under subsection (1) of this section. The state treasurer~~
12 ~~shall place money from this fee in the general fund. By the twentieth~~
13 ~~day of the subsequent month, the state treasurer shall distribute to~~
14 ~~each county treasurer according to the following formula: Three-~~
15 ~~quarters of the funds available shall be equally distributed among~~
16 ~~the thirty-nine counties; and the balance shall be ratably~~
17 ~~distributed among the counties in direct proportion to their~~
18 ~~population as it relates to the total state's population based on~~
19 ~~most recent statistics by the office of financial management.~~

20 ~~(b) When received by the county treasurer, the funds shall be~~
21 ~~placed in a special real estate excise tax electronic technology fund~~
22 ~~held by the county treasurer to be used exclusively for the~~
23 ~~development, implementation, and maintenance of an electronic~~
24 ~~processing and reporting system for real estate excise tax~~
25 ~~affidavits. Funds may be expended to make the system compatible with~~
26 ~~the automated real estate excise tax system developed by the~~
27 ~~department and compatible with the processes used in the offices of~~
28 ~~the county assessor and county auditor. Any funds held in the account~~
29 ~~that are not expended by the earlier of: July 1, 2015, or at such~~
30 ~~time that the county treasurer is utilizing an electronic processing~~
31 ~~and reporting system for real estate excise tax affidavits compatible~~
32 ~~with the department and compatible with the processes used in the~~
33 ~~offices of the county assessor and county auditor, revert to the~~
34 ~~special real estate and property tax administration assistance~~
35 ~~account in accordance with subsection (5) (c) of this section.~~

36 ~~(4) Beginning July 1, 2010, through December 31, 2013, the county~~
37 ~~treasurer shall continue to collect the additional five dollar fee in~~
38 ~~subsection (3) of this section on all transactions required by this~~
39 ~~chapter, regardless of whether the transaction requires the payment~~
40 ~~of tax. During this period, the county treasurer shall remit this fee~~

1 ~~to the state treasurer at the same time the county treasurer remits~~
2 ~~funds to the state under subsection (1) of this section. The state~~
3 ~~treasurer shall place money from this fee in the annual property~~
4 ~~revaluation grant account created in RCW 84.41.170.~~

5 ~~(5)(a))~~ The real estate and property tax administration
6 assistance account is created in the custody of the state treasurer.
7 An appropriation is not required for expenditures and the account is
8 not subject to allotment procedures under chapter 43.88 RCW.

9 (b) Beginning January 1, ~~((2014))~~ 2024, the county treasurer must
10 ~~((continue to))~~ collect ~~((the))~~ an additional ~~((five-dollar))~~ \$7.05
11 ~~fee ((in subsection (3) of this section))~~, as adjusted under (d) of
12 this subsection (3), on all transactions required by this chapter,
13 regardless of whether the transaction requires the payment of tax.
14 The county treasurer shall deposit one-half of this fee in the
15 special real estate and property tax administration assistance
16 account in accordance with (c) of this subsection and remit the
17 balance to the state treasurer at the same time the county treasurer
18 remits funds to the state under subsection (1) of this section. The
19 state treasurer must place money from this fee in the real estate and
20 property tax administration assistance account. By the ~~((twentieth))~~
21 20th day of the subsequent month, the state treasurer must distribute
22 the funds to each county treasurer according to the following
23 formula: One-half of the funds available must be equally distributed
24 among the ~~((thirty-nine))~~ 39 counties; and the balance must be
25 ratably distributed among the counties in direct proportion to their
26 population as it relates to the total state's population based on
27 most recent statistics by the office of financial management.

28 (c) When received by the county treasurer, the funds must be
29 placed in a special real estate and property tax administration
30 assistance account held by the county treasurer to be used for:

31 (i) Maintenance and operation of an annual revaluation system for
32 property tax valuation; and

33 (ii) Maintenance and operation of an electronic processing and
34 reporting system for real estate excise tax affidavits.

35 (d) Beginning in fiscal year 2027, and every fourth year
36 thereafter, the department must adjust the fee amount under (b) of
37 this subsection (3) to reflect the growth of the consumer price
38 index. The department must publish the updated fee by September 1,
39 2026, and September 1st of every fourth year thereafter. The updated
40 fee amount applies beginning January 1, 2027, and January 1st every

1 fourth year thereafter. An adjusted fee amount must be rounded to the
2 nearest five cents. No changes may be made to an adjusted fee amount
3 once such adjustment takes effect. The most recent fee amount becomes
4 the base for subsequent adjustments. For purposes of this subsection,
5 "consumer price index" means the most current seasonally adjusted
6 index for the shelter expenditure category of the consumer price
7 index for all urban consumers as published by July 31st by the bureau
8 of labor statistics of the United States department of labor.

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