



King County

Metropolitan King County Council

STAFF REPORT

Agenda Item:	7	Name:	Andrew Kim
Proposed No.:	2019-0431	Date:	January 21, 2020

SUMMARY

Each year, two identical property tax levy certification proposed ordinances are transmitted by the executive with blanks in place of the levy amounts. One of the proposed ordinance is used to certify the levy amounts in December and the second proposed ordinance is used to make any corrections to the levy amounts in January. The proposed ordinances are usually transmitted in September along with the biennial budget proposed ordinance during budget years. For consistency, during non-budget years, the proposed ordinance is also transmitted in September. The proposed ordinance include blanks in place of levy amounts since the proposed ordinance is transmitted in September and the levy amounts are not received from the taxing districts until November 30th.

Ordinance 19038 was adopted by the council on December 11, 2019 as to fulfill RCW 84.52.070 which annually requires the county legislative authority to certify to the county assessor the amount of property taxes levied for the county and all taxing districts within the county, except cities having a population of 300,000 or more, for the following year. Ordinance 19038 certified the property tax levy amounts for next year (2020). This annual ordinance is referred to as the “property tax levy certification ordinance” and is necessary for the Treasury Section of the Finance and Business Operations Division to issue property tax statements in the correct amounts.

Proposed Ordinance 2019-0431 is the second property tax levy certification proposed ordinance that is used to make any corrections to the levy amounts. Striking Amendment S1 and Title Amendment T1 to the proposed ordinance would amend some of the levy amounts that have been corrected by the Department of Assessments since the adoption of Ordinance 19038.

ANALYSIS

November 30th Requirement. RCW 84.52.020 requires the taxing districts to submit their levy amounts to the county legislative authority for certification by November 30th of each year.¹ Due to this requirement, the council has usually taken action on the

¹ RCW 84.52.020 requires taxing districts to adopt a resolution/ordinance stating the amount of property tax levy that will be collected for the following year. For some larger taxing districts, such an ordinance submitted is also the same ordinance that implements RCW 84.55.120 which requires a public hearing on the increase of property tax levies for the following year within the limit factor as prescribed by RCW 84.55.005 and 84.55.010. Such an

property tax levy certification proposed ordinance in December (and January to update the levy amounts) since certain taxing districts do not submit their levy amounts until November 30th. However, RCW 84.52.070 also requires the county legislative authority to certify the levy amounts to the county assessor by November 30th of each year. In addition, RCW 84.52.070 (3) states that if the levy amount is not certified to the county assessor by November 30th, the county assessor may use no more than the certified levy amount for the previous year for the taxing district.

Legal counsel is aware of this November 30th requirements and had no issue with council's action on Ordinance 19038 on December 11th, and has no issue with making corrections to the levy amounts through Proposed Ordinance 2019-0431. Moreover, to date, the State of Washington Department of Revenue has not raised this as an issue and the county assessor has not applied RCW 84.52.070 (3) and has always used the updated levy amounts for the following year for levy collection purposes.

Relieve the Committee. Proposed Ordinance 2019-0431 to update levy amounts to the property tax levy certification ordinance is subject to a motion to relieve the committee since the January Budget and Fiscal Management Committees have been cancelled and updates to the property tax levy certification should be completed as close to the November 30th date requirement as feasible.

ATTACHMENTS

1. Proposed Ordinance 2019-0431
2. Striking Amendment S1
3. Title Amendment T1
4. Transmittal Letter
5. Fiscal Note

ordinance is also referred to as the "Sunshine Ordinance". King County also adopts such an ordinance for its own county levies and the Sunshine Ordinance for the county was adopted at the November 20, 2019 council meeting (Ordinance 19023).