



March 2003  
Volume 4, Issue 1

## Inside this Issue

- 1** Things To Do
- 2** Boundary Line Adjustments
- 3** Upcoming Training
- 4** Property In Motion
- 6** Levy Hodgepodge
- 7** Forms & Publications
- 9** Ratio Valuation Program
- 10** Property Tax Staff Spotlight

Department of Revenue  
Property Tax Division  
P. O. Box 47471  
Olympia, WA 98504-7471

# Property Tax Review

## Things To Do

*By Gary O'Neil, Assistant Director*

Four months on the job and I'm still working on the "Things To Do" list suggested by my thoughtful predecessor. In my short tenure with the Division, I have been impressed with the volume of work handled by our employees and the diversity of issues they address every day. My incoming assumption that the Property Tax Division employees are competent and expert was quickly confirmed.

The Property Tax Division continues to develop its new organizational structure with clarification of duties and responsibilities among the teams. Our managers have been setting goals and planning activities for 2003.

The Valuation Advisory Team has substantially increased the number of advisory appraisals to be conducted this year. In addition, this group has a goal to study at least 6 personal property classes and 3 major industry categories.

This year the County Review Program will be performing comprehensive reviews of administrative practices within at least 3 counties. And the team is available to review

particular issues that might be of a more urgent nature.

The Utility Section is currently preparing capitalization rates. Pre-valuation discussions with the utilities have been scheduled for March 18 and 19.

Our Ratio Valuation staff have selected and assigned properties for appraisal.

And not to be overlooked is our Technical Programs team in the midst of reviewing exemption applications, which are expected to number about 700, conducting levy reviews, and developing education opportunities. The 2003 Training Calendar listing the classes offered by the Department was recently released. New this year will be classes on the Income Approach to Industrial Appraisal.

The Division is tracking approximately 140 property tax bills. Bills are reviewed for administrative and legal issues. Our task is to notify Legislators of infirmities or administrative difficulties of their bills and work with them to perfect

their bills. We also assist in the estimation of revenue and expenditure estimates. The Department advises the Governor on bills of interest and concern.



## This Quarter's Reminders

### March 1

Most taxing district boundaries must be established to permit levy for collection the following year. (RCW 84.09.030) For exceptions, see RCW 84.09.030-.035. Also, changes in district boundaries must be submitted to Department of Revenue in order to receive proper apportionment of values of state assessed properties. (WAC 458-50-130)

### March 15

Utility company annual returns on standard form must be filed with the Department of Revenue. Penalties prescribed. (RCW 84.12.230, .260)

### March 31

Applications for exemption from the property tax must be received by the Department of Revenue to avoid \$10/month penalty. (RCW 84.36.815 and .825) Newly incorporated cities may establish boundaries. (RCW 84.09.030)

### April 30

Personal property report on standard form must be filed with county assessor. Penalties prescribed. (RCW 84.40.020, .040, .060 and .130) Also, last day for payment of taxes except that when taxes on one lot or tract are \$50 or more, or when personal property taxes total \$50 or more, one-half may be paid by April 30 and the remaining one-half by October 31. (RCW 84.56.020)

*Continued on page 5*

Depending on the level of these interests or concerns, the Department may testify at hearings in support or opposition. Division staff are always available to testify on administration practices and consequences of proposals.

I have enjoyed my limited occasions to meet with county assessors and learn about the issues we share. I look forward to future opportunities to meet and share ideas. For being the oldest state tax, property tax issues continually reinvent themselves in new and interesting ways. We welcome your inquiries and suggestions. Please continue to contact those Department employees who have assisted you in the past. If I can be of assistance, feel free to contact me directly. I have learned who the experts are within the Division and can get you an answer. We are committed to providing you with timely and complete assistance.

... Gary♦

## Boundary Line Adjustments – Cyclical Counties

*By Cindy Boswell, Revaluation Specialist*

Whether or not a situation qualifies for a revaluation out of cycle is an issue that continues to be faced by cyclical counties. The Department was recently asked to address the issue of revaluation as it relates to a boundary line adjustment (BLA). Hopefully, through the following Q & A format, we can assist in promoting our mutual goal of systematic and uniform assessment practice.

### What is a BLA?

There is no definition of "Boundary Line Adjustment" in statute. However, there are several references in statute that address the purpose of adjusting boundary lines.

RCW 58.04.001 "...is to provide alternative procedures for fixing boundary points or lines when they cannot be determined from the existing public record and landmarks or are otherwise in dispute."

RCW 58.17.040(6) "A division made for the purpose of alteration by adjusting boundary lines, between platted or unplatted lots or both, which does not create any additional lot, tract, parcel, site, or division nor create any lot, tract, parcel, site, or division which contains insufficient area and dimension to meet minimum requirements for width and area for a building site."

The purpose of a BLA is to provide alternative procedures for fixing boundary points without the creation of new lots or parcels. There is no authority to support the use of boundary line adjustments as a replacement for the laws and rules that control the subdivision and short subdivision processes that are addressed in chapter 58.17 RCW (Subdivisions).

There may be counties where the local planning authority will allow a boundary modification, a process outside the definition of a BLA, short subdivision, or subdivision, that will reconfigure existing lots and may establish new property characteristics. The Department believes that these boundary modifications are subject to the same interpretation of revaluation out of cycle as used for a boundary line adjustment.

**Upcoming Training Courses**  
(State/County Personnel ONLY)

- March 26**  
Basic Legal Description  
Tumwater -- \$35
- April 9**  
Basic Legal Description  
Spokane -- \$35
- April 15-16**  
Income Approach -- Industrial  
Longview -- \$75
- April 23-24**  
Income Approach -- Industrial  
Arlington -- \$75
- April 29-30**  
Income Approach -- Industrial  
Spokane -- \$75
- May 6**  
USPAP -- Update  
Moses Lake -- \$50
- May 13**  
USPAP -- Update  
Tumwater -- \$50
- May 21-22**  
BOE/BTA Appeal Preparation &  
Presentation  
Olympia -- \$75
- May 28-29**  
BOE -- New Clerks & Members  
Olympia -- Free
- May 30**  
BOE -- Senior Member Training  
Olympia -- Free
- June 3**  
BOE -- Senior Member Training  
Arlington -- Free
- June 5**  
BOE -- Senior Member Training  
Longview -- Free
- June 10**  
BOE -- Senior Member Training  
Ritzville -- Free
- June 11**  
BOE -- Senior Member Training  
Yakima -- Free
- June 24-25**  
BOE/BTA Appeal Preparation &  
Presentation  
Moses Lake -- \$75
- June 24**  
Senior Citizens Exemption/Deferral  
Pasco -- \$35
- June 26**  
Senior Citizens Exemption/Deferral  
Tumwater -- \$35

For further information, contact Linda Cox, Education Coordinator, at (360) 570-5866 or by e-mail at [LindaC@dor.wa.gov](mailto:LindaC@dor.wa.gov) . ♦

**Does a BLA fall under the revaluation out-of-cycle clause “subdivided and merged”?**

In certain circumstances, the assessor is authorized to revalue real property, using appraisal judgement, outside of the cycle specified in the approved revaluation plan. However, these instances are clearly defined, and the revaluation must not violate the equal protection and uniformity clauses of the state constitution. WAC 458-07-020 states, “The assessor may disregard the revaluation cycle and change a property valuation, as appropriate, in the following situations: ... (f) When property has been subdivided or merged.” The rule does not define the terms “subdivided” or “merged.” Based on general definitions of subdivided and merged, the rule should apply when one parcel is divided into two or more parcels, or when two or more parcels are combined into one parcel. The Department believes a BLA that does not result in the creation of additional lots will not meet the situation of “subdivided.” However if a BLA results in merged property, which is a decrease in the number of lots or parcels, the affected parcels may be subject to revaluation.

**When property is merged, the affected parcels may be subject to revaluation and may be valued outside of the revaluation cycle.**

**How should the reconfigured but pre-existing parcels be valued after the BLA is completed?**

When no new lots/parcels are created as a result of the BLA process, then the situation of “subdivided” as stated in WAC 458.07.020(2)(f) would not apply, and there would not be a revaluation out of cycle. In this instance, any value change should be an “allocation” of the affected parcels’ current assessed values. However, when property is merged, which is a decrease in the number of lots or parcels, the affected parcels may

be subject to revaluation. Merged property may be valued outside of the revaluation cycle based on values as of January 1 of the revaluation year.

**How are values determined when a boundary adjustment process results in the creation of an additional lot/parcel or the consolidation of existing lots/parcels?**

There may have been instances when a BLA has resulted in the creation of an additional lot. The assessor, working under RCW 84.40.040 (Time and Manner of Listing) is required to list and value all property. An assessor’s action to address additional lots or new parcels as property that is “subdivided or merged,” rather than as a true BLA, is supported by AGO 1986 No. 6. “This creation of an additional lot removes this action from the exemption provided in RCW 58.17.040(6).” In the past, BLAs have also resulted in the merger of lots, i.e. a BTA hearing involving property located in San Juan County (BTA Docket Nos. 52796-98 Denman / Campbell vs. Paul G. Dossett).

When the assessor determines that the BLA procedure, or other boundary modification

process allowed by county planning authorities, has subdivided and created additional parcels or has merged existing parcels, WAC 458.07.020(2)(f) “subdivided or merged” will apply. In these instances, the property may be valued outside of the revaluation cycle based on values as of January 1 of the scheduled revaluation year. ♦

# Property In Motion

## Personal Property Assessment Issues

By Neal R. Cook, MAI

The focus of this column is personal property valuation and administration issues. If you have topics or questions that you would like included in a future issue, please let me know. Contact me at [NealC@dor.wa.gov](mailto:NealC@dor.wa.gov) or (360) 570-5881.

### *Changes in Valuation of Videotapes, Laser Disks & DVDs*

**Figure 1** below is copied directly from the 2003 Personal Property Valuation Guideline's Index under the title "Supplemental Valuation Table A."

We have had several calls from owners of video rental stores about an increase in the assessment of videotapes from \$9 to \$11, a 22% increase in one year. However, we recommend that the primary method of determining the value is 24% of the cost for the tapes, disks, and DVDs. This method allows assessors to recognize the differences among video store operations when an operator chooses to offer lower cost movies and games.

The new rate of \$11 recognizes that the former rate of \$9 was based on liquidation prices from major national chain stores rather than the value of tapes and disks before they are ready for liquidation. Logically,

tapes and disks in the rental inventory should have more value than that being liquidated, thus, an increase from \$9 is justified.

Using a cost basis also allows recognition of variation in products available to store customers -- videotape vs. DVD. The cost of DVDs may be greater than the cost of videotapes for the same movie release. By valuing each product line separately, the assessment will reflect the cost and value difference.

In order to employ the cost basis method, it will be necessary for the business owner to provide an accurate listing of the tapes, disks, and DVD inventory as of noon, January 1. Statements that the average cost of tapes is \$30 are not an adequate listing and do not meet the statutory requirement. These costs vary greatly, and the more costly inventory tends to remain in the rental inventory longer before liquidation occurs. If inventory costs cannot be listed so that a physical audit can verify the accuracy of the

listing, the assets should be valued at \$11 each.

### *Valuation of Leasing Company Assets: Acquisition Year vs. In-Service Year*

Some leasing companies have been providing listings to assessors showing the year the assets were acquired as well as the year the assets were put into service. There is usually no more than a one year difference between the two. The question that arises is: "What year should be used to estimate the value?"

The recommended method of determining the market value of personal property is a reproduction cost approach. The specific method we recommend is "Trended Investment." The historical cost is trended to current cost and then depreciated. We provide a Combined Table that incorporates two factors -- trend and depreciation.

**Figure 1**

#### **VIDEOTAPES, LASER DISKS & DVDs**

(Value property in rental inventory only at retail trade level, used tapes held only for sale are exempt business inventory. Price of used tapes for sale reflects liquidation value; retail trade level value must be greater than liquidation value.)

Value at 24% of Cost or \$11 per tape/disk (Implies that  $\$11 \div 24\% = \$45.80$  average cost new.)

Using the Combined Table, the historical cost is converted into an estimate of value by multiplying the historical cost by a percent good factor. The trend is intended to recognize the change in price from the time the property was manufactured or first acquired to the value estimate date. The Combined Table can be found on the Department of Revenue's web site ([www.dor.wa.gov](http://www.dor.wa.gov)) in the publication titled "Personal Property Valuation Guidelines" under the Publications tab of the Property Tax page.

We ask taxpayers to list original cost and date acquired. The tables we provide are most accurate when applied to the historical cost using the year the asset was first acquired. Historical cost is the cost when the first owner acquired the asset. Original cost is the cost to the current owner. Therefore, historical cost and original cost are the same for the first owner. It is because current owners do not always have knowledge of historical cost, but should always know the original cost, that we require them to report original cost.

Depreciation is intended to recognize loss in value. Several things cause depreciation but mostly wear and tear caused by use and obsolescence as a result of advances in technology or improvements to products. Our tables look at depreciation as a factor reflecting an annual loss in value based on the expected useful life of the asset. So, both the trend and the depreciation are based on time that we measure in annual increments.

When the trend indicates prices of a product are increasing and depreciation recognizes a decline in value, the combined factor created by multiplying the trend factor with the depreciation percent factor (one

minus the depreciation rate) results in a multiplier that recognizes both affects. So, which year should be used to estimate the value -- acquisition year or in-service year? The trend should always be applied on the basis of the year of acquisition. Depreciation should be based upon age and condition. Age relates to obsolescence and condition relates to wear and tear. From a valuation standpoint, the trend should be based on the year acquired and the depreciation should be based on the in-service date. However, the combined table does not allow for that kind of application, and the administration of this kind of situation is complicated. So, we recommend that the acquisition year be used as the basis for valuation.

### *Valuation of Hotel and Motel Supplies*

What to do with those little bottles of shampoo and packages of coffee in a hotel? Are they exempt business inventory or taxable supplies that should be listed and valued as personal property?

The answer is that they are taxable as supplies and must be listed as supplies on the personal property affidavit.

What about the taxability of candy bars, snacks, and beverages typically found in the motel room in a basket or mini-refrigerator? These items are not included in the room rate and are made available for an extra price in guest rooms.

The answer to this question is that these items are exempt from property tax because they are considered business inventory.

**This Quarter's Reminders**  
*Continued from page 2*

**May 1**  
Assessor must notify applicant for forest land designation prior to this date if request denied. (RCW 84.33.130) Also, open space farm and agriculture land application deemed approved unless assessor has notified owner otherwise. (RCW 84.34.035)

**May 31**  
County assessor to have completed listing and placing of valuation on all property no later than this date. However, assessor may add property to list later after written notice to person to be assessed. (RCW 84.40.040)

**June 1**  
Penalty of 3 percent will be assessed on the amount of current year's taxes delinquent on June 1. (RCW 84.56.020) Also, may establish newly incorporated taxing district if co-terminus boundaries with established district. (RCW 84.09.030)

**June 30 (On or before)**  
Department of Revenue sets stumpage values for July through December, 2003. (RCW 84.33.091) Department of Revenue to determine value of state assessed property. June 30<sup>th</sup> is the first day to request a formal hearing on value of state assessed property. ♦

What then causes the difference between the taxability of little bottles of shampoo and the exempt status of food and beverages in the assessment of a motel's personal property particularly when the room rate includes items like soap, shampoo, and coffee while sales tax is charged against the room rate? The difference is that when a guest makes the choice to purchase an item not already included in the room rate, it

is clearly subject to sales tax and, therefore, exempt from property tax. On the other hand, when a motel owner chooses to provide items as part of the room rate -- items that were subject to sales tax when acquired -- those items become supplies, which are subject to property tax.

For more information about the taxability of supplies, please refer to Property Tax Advisory (PTA) 9.0.2003 (Assessment of Supplies) which can be found on the DOR web site, ([www.dor.wa.gov](http://www.dor.wa.gov)), under the Tax Topic of Property Tax, Rules and Laws. This Advisory updates and replaces information previously provided in Property Tax Bulletin 90-3. The difference between exempt business inventory and taxable supplies is clarified in this Advisory. ♦

## Board of Equalization Training

*By Kathy Beith, BOE Specialist*

We have scheduled several training sessions for county boards of equalization. The sessions will be held during the last week of May and the first two weeks of June this year. This training is geared specifically to the needs of members, clerks, and hearings examiners of the local boards of equalization. State law (RCW 84.48.014) requires all BOE members to attend training within one year of appointment or reappointment to the Board, unless the Department waives this requirement for just cause. BOE members are appointed for a term of three years, so members should

generally attend training at least once every 3 years.

A separate course, jointly sponsored by WSACA and the Department, is the *BOE/BTA Appeal Preparation and Presentation* course. This class will be offered in May and June and is intended to provide appraisers and others with the tools necessary to effectively prepare and present a case to be heard by either the local board or the State Board of Tax Appeals.

Training announcements and registration forms for both of these classes will be coming out soon. So, watch for those announcements and we'll see you this spring! ♦

## Levy Hodgepodge

*By Fletcher Barkdull, Levy Auditor*

It's a great time to calculate levies! Well...ok, it's not. It's not a "great time" for two reasons: first, they should have been calculated by now, and second, it's never a "great time" for those who calculate levies. The fact is, calculating levies is the antithesis of a "great time." To some, it is ranked among the most loathsome activities. Nonetheless, levies have to be calculated, and you are the unfortunate souls shackled with the onerous task.

### Levy Audits

Exaggerations aside, our congratulations go to all of you for enduring the challenges inherent in the levy calculation process! Now that you've completed the calculations, we can come to your county and tell you they're wrong. Just kidding! Actually, it may be a while before we are able to review the calculations for every county. We

anticipate completing an audit in every county by the end of October 2005; thus far, we have reviewed the calculations of four counties—Jefferson, Mason, Island, and Clallam. With each audit, the process improves in both efficiency and effectiveness. We thank those counties that have allowed us to review their calculations, and we look forward to visiting other counties throughout the state.

*Recently, there have been several questions regarding levies requiring voter approval. More specifically, questions have been asked regarding lid-lifts, EMS levies, and excess levies. The following is an explanation of the statutory requirements for these types of levies.*

### Excess Levies

RCW 84.52.052 allows certain taxing districts to levy in excess of the limits provided in chapters 84.52 and 84.55 RCW and in the Constitution with the approval of voters according to Article VII, section 2(a) of the Constitution. These limits include the following: the levy limit (101% limit), the statutory dollar rate limit, the statutory aggregate rate limit (\$5.90 limit), and the constitutional one percent limit.

RCW 84.52.054 requires that a ballot measure placed before voters for excess levies must include the dollar amount to be levied and an estimate of the dollar rate per \$1,000 of assessed property value. This type of levy must be approved not more than twelve months prior to the year in which the levy is to be made by a three-fifths majority (super majority, or 60 %) of those voting on the proposed levy. (The number of voters voting on the proposition must be at least equal to 40 percent of the

total number of voters who voted in the previous election; or if the number of voters voting on the proposition is less than 40 percent of the total number of voters in the previous election, then the proposition must be approved by a number equal to 24 percent of the total number of voters who voted in the previous election.)

In general, excess levies are for one year. However, Article VII section 2(a) of the Constitution and RCW 84.52.053 and 84.52.130 allow schools and fire districts, respectively, to have excess levies for up to four years for general maintenance and operation support and up to six years to support the construction, modernization, or remodeling of facilities.

Most districts are not restricted by statute as to the amount that can be requested in a ballot measure. Exceptions to this include schools, air pollution control districts, and mosquito control districts.

RCW 84.52.056 and Article VII Section 2(b) of the Constitution allow municipalities that are authorized to issue capital improvement bonds to have excess

levies for the purpose of paying the principal and interest of such bonds. These levies must be approved in an election by a three-fifths majority vote, and the number of those approving the levy must be equal to at least 40 percent of the total number of voters who voted in the last preceding election. Excess levies for a capital bond may be levied for the duration of the bond.

**Lid-Lifts**

RCW 84.55.050 allows a district to exceed the levy limit (101% limit) up to the statutory dollar rate maximum upon approval by a majority of the voters not more than twelve months prior to the date in which the levy is to be made. This is typically known as lifting the levy lid, or a lid-lift. This is used when a district's levy limit prevents a district from levying an amount that would otherwise be allowed by the statutory dollar rate maximum. For the first year after voters approve a lid-lift, the district is able to levy a rate not to exceed the statutory dollar rate maximum. The amount levied in the first year is the new amount to be used in the levy limit calculation for the following year.

Ballot measures placed before voters must state the total dollar rate to be levied, which cannot exceed the statutory maximum rate. For example, a fire district that is restricted to a levy rate of \$.75 because of the levy limit may request voter approval of a levy rate of \$.90. The ballot measure must state the total proposed levy rate, in this case \$.90. Although not required, ballot measures may also include the duration and/or the purpose of the lid-lift. If one or both of these items are included in a ballot measure, it is a temporary lid-lift. This means that upon expiration, the levy limit is to be calculated as if the lid-lift had never been approved. If these items are excluded from a ballot measure, it is to be construed as a permanent lid-lift, which raises the amount used to calculate the levy limit for each year after a lid-lift has been approved.

(See also WAC 458-19-045 for an explanation of requirements for lid-lifts and how they are to be calculated.)

**EMS Levies**

RCW 84.52.069 authorizes certain districts to impose a six-year, ten-year, or permanent levy of \$.50 or less per \$1,000 of assessed property value for the purpose of providing emergency medical services (EMS). This type of levy requires the ballot measure to be approved by at least a three-fifths majority (super majority or 60%). (The number of voters voting on the proposition must be at least equal to 40 percent of the total number of voters who voted in the previous election; or if the number of voters voting on the proposition is less than 40 percent of the total number of voters in the previous election, then the proposition must be approved by a number equal to 24

# Property Tax Forms and Publications

*By Velinda Brown, Property Tax Specialist*

We have been very busy creating new forms and revising our existing forms and publications this past year. The majority of the forms are now available in PDF fill-in format from the Department of Revenue's web site at [www.dor.wa.gov](http://www.dor.wa.gov). The forms may be found by clicking on "Property Tax" under Tax Topics and clicking on "Forms". Also, our forms link has a new look for 2003. The forms are now listed under a category or program title. This should make finding a form a little easier. You will also find our publications available on our web site. They are listed in alphabetical order by title under "Publications." If you have any questions, need help, or have comments, please call Velinda Brown @360-570-5865 or e-mail [VelindaB@dor.wa.gov](mailto:VelindaB@dor.wa.gov). ♦

percent of the total number of voters who voted in the previous election.)

A ballot measure for EMS levies must conform with RCW 29.30.111, which sets forth the language for ballot measures:

*Shall the .....(insert the name of the taxing district) be authorized to impose regular property tax levies of .....(insert the maximum rate) or less per thousand dollars of assessed valuation for each of .....(insert the maximum number of years allowable) consecutive years?*

If a district seeks approval of a permanent EMS levy, which requires

a referendum procedure (see RCW 84.52.069(4)), the ballot measure should read as follows:

*Shall the .....(insert the name of the taxing district) be authorized to impose a PERMANENT regular property tax levy of .....(insert the maximum rate) or less per thousand dollars of assessed valuation?*

Unlike excess levies and lid-lifts, ballot measures for EMS levies do not need to be approved within twelve months prior to the date in which the levy is to be imposed. Additionally, RCW 29.30.111 does not require that the ballot measure contain the year in which the first

levy is to be imposed. If the year in which the first levy is to be made is excluded from the ballot, the first levy will be made in the year in which the measure is approved. To ensure that the levy is made in the appropriate year, it would be wise to include in the ballot measure the first year in which the levy is to be made and the year in which it is to be collected. The language of such a measure might look something like the following:

*Shall the .....(insert the name of the taxing district) be authorized to impose regular property tax levies of .....(insert the maximum rate) or less per thousand dollars of assessed valuation for each of*

SUMMARY COMPARISON			
CRITERIA	EXCESS LEVIES	LID-LIFTS	EMS LEVIES
VOTES REQUIRED	-Super Majority (60%)	-Majority	-Super Majority (60%)
DATE OF VOTE	-Not to exceed 12 months prior to date of levy	- Not to exceed 12 months prior to date of levy	-No specification
REQUIRED BALLOT INFORMATION	-Dollars to be levied and an estimate of the dollar rate per \$1,000 of assessed value	-Rate to be levied, not to exceed statutory dollar rate maximum	-Maximum rate to be levied, not to exceed \$.50 -Number of years to be levied
OPTIONAL BALLOT INFORMATION		-Purpose -Duration	-Year in which levy is to be made
DURATION OF LEVY	-One year with exception to schools and fire districts -Capital bond levies are for duration of bond	-Permanent unless a purpose or duration is specified	-Six years, ten years, or permanent
CALCULATION AFTER 1 <sup>ST</sup> LEVY		-Subject to the levy limit (101% limit)	-Subject to the levy limit (101% limit)
OTHER INFORMATION	-Some districts have limits in the amount that can be levied		-Levy rate may be increased by voter approval up to \$.50 -Replacement levy is permitted
LAWS & RULES	-Article VII section 2 of the state Constitution -RCW 84.52.052 -RCW 84.52.054 -RCW 84.52.056	-RCW 84.55.050 -WAC 458-19-045	-RCW 84.52.069 -RCW 29.30.111 -WAC 458-19-060



.....(insert the maximum number of years allowable) consecutive years beginning with the.....(insert the assessment year levy for collection in .....(insert the year in which the tax is to be collected)?

If an EMS levy has been approved for an amount less than \$.50 per \$1,000 of assessed property value, the district may raise the rate to be levied up to the statutory dollar rate maximum in the same manner in which the levy was originally approved. That is, the increase must be approved by a super-majority of the voters within the district.

A district may replace a current EMS levy with a different EMS levy. For example, a district with a six-year EMS levy of \$.25 per \$1,000 of assessed property value may replace it with a permanent levy of \$.50 if the permanent levy is approved by the voters. In addition to the information required by RCW 29.30.111, the ballot measure should state the district's intention to replace the current EMS levy with a new levy.

The only occasion in which two districts with overlapping boundaries may concurrently levy for emergency medical services is when a county and a taxing district within its boundaries have a combined levy rate of \$.50 or less per \$1,000 of assessed property value. If the combined rates exceed \$.50, then the taxing district's levy is to be reduced.

For the first EMS levy made after voter approval, the district is to levy the dollar rate stated in the ballot measure. The amount levied will then be used to calculate the levy limit for the following year. This process continues until the levy expires.

(See also WAC 458-19-060 for an explanation of EMS levies.)

If you have any questions regarding the information discussed here, feel free to contact us. We will be happy to discuss them with you. Fletcher Barkdull, Levy Auditor, can be reached at (360) 570-5891 or Kathy Beith, Levy Specialist, can be reached at (360) 570-5864. ♦

## What's Happening in the Ratio Valuation Program?

*By David Saavedra, Ratio Valuation Manager*

As we look back over the past year, Property Tax went through its "re-org" but the Ratio Valuation Program has remained steadfast through the changes. We were able to complete our 2002 ratio study and issue ratios in all 39 counties by December 2, 2002.

Internally, we have seen some changes that include new regional supervisors, Pete Levine and Dave McKenzie. Many of the appraisers you see working in the Ratio Program who visit the county offices remain the same. However, in a few counties, you may see some different faces due to the fact that we've reallocated resources, and those appraisers haven't worked in your county in the past. Also, you may see Pete or Dave at the end of the 2003 ratio cycle

visiting with you and discussing issues that are of interest to your specific county.

By and large, the Ratio Program appears the same on the surface; however, what you might not have recognized is the fact we are doing similar workloads with fewer staff. You might ask, "so what's the big deal?" The 'big deal' is the challenge ahead of us necessary to complete over 1,600 individual personal property audits in 39 counties and nearly 160 real property and open space appraisals in 12 counties for 2003. The exciting aspect has been the Ratio appraisers' willingness to accept the challenge. For some that has meant cross-training into either personal property auditing or real property appraising.

Combine all of this with the exceptional efforts of Deb Mandeville, Ratio Specialist, and the Olympia support staff – who were instrumental in preparing ratio workloads for distribution before mid-December 2002, the earliest ever – and what you have is a solid start to a challenging 2003 ratio year. ♦

RATIO VALUATION PROGRAM FIELD STAFF	
Region 1:	Region 2:
Pete Levine, Supervisor (Olympia Office)	Dave McKenzie, Supervisor (Vancouver Office)
❖ <b>Everett Office</b>	❖ <b>Kennewick Office</b>
➤ Lynn Hilton	➤ Adele Krupka
❖ <b>Olympia Office</b>	➤ Roger Marshall
➤ Rob Bricel	➤ Pat McCabe
➤ Bill Johnson	➤ Steve Stamey
➤ *Anja Pangborn	➤ Lisa Webb
❖ <b>Wenatchee Office</b>	❖ <b>Spokane Office</b>
➤ Rick Bell	➤ Karen Clark
➤ Bob Criss	➤ Pat Torretta
➤ Omar Medina	
(*Temporary assignment through September 2003, from Valuation Advisory Team)	

# Property Tax Division Staff Spotlight

Here are some of the folks at the other end of the phone when you call the Department of Revenue's Property Tax Division.



Jane Ely  
Cartographer



Pete Levine  
Ratio Valuation Supervisor



Steve Yergeau  
Utility Valuation Manager



Patty Concepcion  
Office Assistant Senior



Gary O'Neil  
Assistant Director

## Welcome Our New Staff Members

The Property Tax Division has a new team member in the Technical Programs area. **Craig Stevenson** is an auditor working nonprofit exemption applications in King County. Craig has extensive experience in state government having worked as an internal auditor/consultant at the Department of Social and Health Services and as an assistant state auditor where he audited government municipalities and state agencies. He is new to property tax administration and is eager to learn all he can about the complexities of the system. He will be attending many of the WSACA/DOR classes over the next couple of years. If you plan to attend some of the classes yourself, be sure to look him up (he's the really tall guy -- 6'9"! ) and say hello.

The Property Tax Division is also very pleased to introduce another newer staff member, **Anja Pangborn**. Anja has joined the Property Tax team as an Auditor 4 with the Valuation Advisory Team. She came to the Department of Revenue through the College Career Graduate program and is a recent graduate of Washington State University. Anja holds a BA in Business Administration with options in International Studies and Real Estate and a minor in Finance. She moved from Kennewick to Tacoma in order to begin her career with DOR in the Olympia office. Her immediate supervisor is Neal Cook, and she is currently in training and working in the Ratio Valuation Group conducting ratio audits and appraisals. The training goal for Anja is to learn assessor and taxpayer needs to be better prepared to assist with development of personal property valuation guidelines, advisories, and classes for assessors. ♦



Craig Stevenson  
Auditor



Anja Pangborn  
Auditor



**DEPARTMENT OF REVENUE  
PROPERTY TAX DIVISION**

P. O. Box 47471  
Olympia, Washington 98504-7471

DESCRIPTION OF PROGRAM OR SERVICE	CONTACT	PHONE NUMBER	E-MAIL ADDRESS
Property Tax Administration/Policy	Gary O'Neil Assistant Director	(360) 570-5860	<a href="mailto:GaryO@dor.wa.gov">GaryO@dor.wa.gov</a>
Property Tax Program Coordinator	David Saavedra	(360) 570-5861	<a href="mailto:DavidS@dor.wa.gov">DavidS@dor.wa.gov</a>
General Information -- Receptionist FAX	Cathy Berry	(360) 570-5900 (360) 586-7602	
SPECIFIC TOPICS			
Accreditation	Velinda Brown	(360) 570-5865	<a href="mailto:VelindaB@dor.wa.gov">VelindaB@dor.wa.gov</a>
Accreditation Testing	Linda Cox	(360) 570-5866	<a href="mailto:LindaC@dor.wa.gov">LindaC@dor.wa.gov</a>
Advisory Appraisals	Mark Maxwell	(360) 570-5886	<a href="mailto:MarkMax@dor.wa.gov">MarkMax@dor.wa.gov</a>
Appraisals & Audits for Ratio Study	Pete Levine Dave McKenzie	(360) 570-5884 (360) 260-6196	<a href="mailto:PeteL@dor.wa.gov">PeteL@dor.wa.gov</a> <a href="mailto:DaveM@dor.wa.gov">DaveM@dor.wa.gov</a>
Annexation/Boundary Change Rules	Kathy Beith	(360) 570-5864	<a href="mailto:KathyB@dor.wa.gov">KathyB@dor.wa.gov</a>
Boards of Equalization	Kathy Beith	(360) 570-5864	<a href="mailto:KathyB@dor.wa.gov">KathyB@dor.wa.gov</a>
Classified/Designated Forest Land	Velinda Brown	(360) 570-5865	<a href="mailto:VelindaB@dor.wa.gov">VelindaB@dor.wa.gov</a>
County Review Program	Shawn Kyes	(360) 570-5862	<a href="mailto:ShawnK@dor.wa.gov">ShawnK@dor.wa.gov</a>
Current Use/Open Space Assessment	Velinda Brown	(360) 570-5865	<a href="mailto:VelindaB@dor.wa.gov">VelindaB@dor.wa.gov</a>
Destroyed Property	Shawn Kyes	(360) 570-5862	<a href="mailto:ShawnK@dor.wa.gov">ShawnK@dor.wa.gov</a>
Education & Training for County Personnel	Linda Cox	(360) 570-5866	<a href="mailto:LindaC@dor.wa.gov">LindaC@dor.wa.gov</a>
Forest Tax General Information		1-800-548-8829	
Forms	Velinda Brown	(360) 570-5865	<a href="mailto:VelindaB@dor.wa.gov">VelindaB@dor.wa.gov</a>
Industrial Property Valuation	Mark Maxwell	(360) 570-5885	<a href="mailto:MarkMax@dor.wa.gov">MarkMax@dor.wa.gov</a>
Legislation	Peri Maxey	(360) 570-5868	<a href="mailto:PeriM@dor.wa.gov">PeriM@dor.wa.gov</a>
Levy Assistance	Kathy Beith	(360) 570-5864	<a href="mailto:KathyB@dor.wa.gov">KathyB@dor.wa.gov</a>
Mobile Homes	Neal Cook	(360) 570-5881	<a href="mailto:NealC@dor.wa.gov">NealC@dor.wa.gov</a>
Nonprofit/Exempt Organizations	Harold Smith	(360) 570-5870	<a href="mailto:HaroldS@dor.wa.gov">HaroldS@dor.wa.gov</a>
Personal Property	Neal Cook	(360) 570-5881	<a href="mailto:NealC@dor.wa.gov">NealC@dor.wa.gov</a>
Railroad Leases	Jay Fletcher	(360) 570-5876	<a href="mailto:JayF@dor.wa.gov">JayF@dor.wa.gov</a>
Ratio Study	Deb Mandeville	(360) 570-5863	<a href="mailto:DebM@dor.wa.gov">DebM@dor.wa.gov</a>
Real Property	Mark Maxwell	(360) 570-5885	<a href="mailto:MarkMax@dor.wa.gov">MarkMax@dor.wa.gov</a>
Revaluation	Cindy Boswell	(509) 663-9747	<a href="mailto:CindyB@dor.wa.gov">CindyB@dor.wa.gov</a>
Senior Citizens/Disabled Homeowners, Exemption/Deferral	Mary Skalicky	(360) 570-5867	<a href="mailto:MaryS@dor.wa.gov">MaryS@dor.wa.gov</a>
Utilities			
<input type="checkbox"/> Certification of Utility Values to Counties	Ha Haynes	(360) 570-5879	<a href="mailto:HaH@dor.wa.gov">HaH@dor.wa.gov</a>
<input type="checkbox"/> Code Area/Taxing District Boundary Changes & Maps	Jane Ely	(360) 570-5894	<a href="mailto:JaneE@dor.wa.gov">JaneE@dor.wa.gov</a>
<input type="checkbox"/> Public Utility Assessment	Steve Yergeau	(360) 570-5877	<a href="mailto:SteveY@dor.wa.gov">SteveY@dor.wa.gov</a>
<input type="checkbox"/> PUD Privilege Tax	Chuck Boyce	(360) 570-5878	<a href="mailto:ChuckB@dor.wa.gov">ChuckB@dor.wa.gov</a>