



# PREPROPOSAL STATEMENT OF INQUIRY

**CR-101 (June 2004)**  
(Implements RCW 34.05.310)  
Do NOT use for expedited rule making

**Agency:** Department of Revenue

**Subject of possible rule making:** WAC 458-18-210 *Refunds-Procedure-Interest* is amended to incorporate language from two legislative changes: SSB 5276, 2015 Regular Session (Chapter 174, Laws of 2015); and HB 2446, 2014 Regular Session, Chapter 16, Laws of 2014.

**Statutes authorizing the agency to adopt rules on this subject:** RCW 84.08.010, RCW 84.08.070, RCW 84.52.0502, and RCW 84.55.060.

**Reasons why rules on this subject may be needed and what they might accomplish:** SSB 5276, 2015 Regular Session (Chapter 174, Laws of 2015) states a county legislative authority may authorize a refund on a claim filed more than three years after the due date of the payment sought to be refunded if the claim arises from taxes paid as a result of a manifest error in a description of property. HB 2446, 2014 Regular Session, Chapter 16, Laws of 2014 states no claim is required for a refund in certain circumstances. These amendments interprets both legislative changes at new subsections (7) and (8) of the rule, respectively.

**Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies:** None.

**Process for developing new rule (check all that apply):**

- Negotiated rule making
- Pilot rule making
- Agency study
- Other (describe) Parties interested in this rule making may contact the individual listed below. The public may also participate by providing written comments throughout this rule making or giving oral testimony at the public meeting or public hearing.

**How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:**

A preliminary draft of possible rule changes is available via the Department's online [Rules Agenda](#).

Written comments may be submitted by mail and should be directed to Mark E. Bohe at either of the following addresses: email: [markbohe@dor.wa.gov](mailto:markbohe@dor.wa.gov), or mailing address: Mark Bohe, ITA Division, PO Box 47453, Olympia, WA 98504-7453.

Written and oral comments will be accepted at the public meeting.

**Public meeting location:**

Capitol Plaza Building  
Fourth Floor Exec. Large Conf. Room  
1025 Union Avenue SE  
Olympia, Washington

**Assistance for persons with disabilities:**

Contact Mary Carol LaPalm (360) 725-7499 or Renee Cosare (360) 725-7514 no later than 10 days before the meeting date. For Hearing Impaired please contact us via the Washington Relay Operator at (800) 833-6384.

*Call in option can be provided upon request no later than 3 days before the meeting date.*

**Date:** February 11, 2016; **Time:** 10:00 AM.

<b>Date</b> January 4, 2016
<b>Name</b> Kevin Dixon
<b>Signature</b> 
<b>Title</b> Rules Coordinator

<b>CODE REVISER USE ONLY</b>
<div style="border: 1px solid black; padding: 10px;"> <p style="text-align: center;">OFFICE OF THE CODE REVISER STATE OF WASHINGTON FILED</p> <p><b>DATE: January 04, 2016</b> <b>TIME: 11:50 AM</b></p> <p><b>WSR 16-02-073</b></p> </div>

AMENDATORY SECTION (Amending WSR 10-23-059, filed 11/12/10, effective 12/13/10)

**WAC 458-18-210 Refunds—Procedure—Interest.** (1) Refunds provided for by chapter 84.69 RCW are made by the following method: The taxpayer must file a claim for refund with the county. This claim must:

(a) Be verified by the person who paid the tax, his guardian, executor or administrator; and

(b) Be filed within three years after the due date of the payment sought to be refunded; and

(c) State the statutory ground upon which the refund is claimed.

(2) All claims for refunds must be certified as correct by the county assessor and treasurer and not be refunded until so ordered by the county legislative authority.

(3) For all refunds, the rate of interest is set out in WAC 458-18-220. The rate of interest is based upon the date the taxes were paid.

(4) Except as provided in subsections (5) and (6) of this section, the interest shall accrue from the time the taxes were paid until the refund is made.

(5) Refunds on a state, county or district-wide basis shall not commence to accrue interest until six months following the date of the final order of the court.

(6) Refunds may be made without interest within sixty days after the date of payment if:

(a) Paid more than once; or

(b) The amount paid exceeds the amount due on the property as shown on the tax roll.

(7) A county legislative authority may authorize a refund on a claim filed more than three years after the due date of the payment sought to be refunded if the claim arises from taxes paid as a result of a manifest error in a description of property.

(a) A manifest error is defined in WAC 458-14-005, and means an error in listing or assessment that does not involve a property revaluation. A manifest error can be seen, clearly shown, and corrected without applying appraisal judgment in forming a decision and revaluing the property.

(b) An example of a manifest error in the description of property is incorrect square footage listed in an assessment property record. The assessor may correct the error by updating the property record with the correct square footage. The assessed value may change due to correct square footage, but the correction must reference the records and valuation methods applied to similar properties.

(c) Property characteristics determined using appraisal judgment are not manifest errors in the description of the property. Examples of property characteristics that are not manifest errors in property description include, but are not limited to, quality of construction, condition, effective age, view, and others.

(d) Manifest error in the description of the property does not include other circumstances involving error. Other circumstances involving error that are not eligible for a refund on a claim filed more than three years after the due date of the payment sought include, but are not limited to, the following:

(i) Taxes mistakenly paid by a person who did not have a legal interest in the property;

(ii) Taxes mistakenly paid by an individual exempted as a senior citizen or disabled person under chapter 84.36 RCW; or

(iii) Taxes abated for a destroyed property claim under chapter 84.70 RCW.

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

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

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

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

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