



# PROPOSED RULE MAKING

## CR-102 (June 2012)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Department of Revenue

- Preproposal Statement of Inquiry was filed as WSR 16-02-073; or
- Expedited Rule Making--Proposed notice was filed as WSR ; or
- Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1).

- Original Notice
- Supplemental Notice to WSR
- Continuance of WSR

**Title of rule and other identifying information:** WAC 458-18-210 *Refunds-Procedure-Interest* is amended to incorporate language from two legislative changes:

- HB 2446, 2014 Regular Session, (Chapter 16, Laws of 2014); and
- SSB 5276, 2015 Regular Session (Chapter 174, Laws of 2015).

**Hearing location:** Capitol Plaza Building  
4th Floor Executive Conference Rm.  
1025 Union Avenue SE  
Olympia, Washington

Copies of draft rules are available for viewing and printing on our website at [Rules Agenda](#)

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

Date: **April 5, 2016** Time: **10:00 AM**

**Date of intended adoption: April 12, 2016**  
(Note: This is NOT the effective date)

**Submit written comments to:**

Name: Mark E. Bohe  
Address: Department of Revenue  
Post Office Box 47453  
Olympia, Washington 98504-7453

E-mail: [markbohe@dor.wa.gov](mailto:markbohe@dor.wa.gov)  
Fax: (360) 534-1606

By: April 5, 2016

**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 hearing date. For Hearing Impaired please contact us via the Washington Relay Operator at (800) 833-6384.

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:** These amendments incorporate two legislative changes at new subsections (2) and (8) of the rule, respectively. HB 2446, 2014 Regular Session, (Chapter 16, Laws of 2014) states no claim is required for a refund in certain circumstances. 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.

**Statutory authority for adoption:**  
RCW 84.08.010 and 84.08.070

**Statute being implemented:**  
RCW 84.69.030

**Is rule necessary because of a:**

- Federal Law?  Yes  No
  - Federal Court Decision?  Yes  No
  - State Court Decision?  Yes  No
- If yes, CITATION:

**DATE**  
February 25, 2016

**NAME**  
Kevin Dixon

**SIGNATURE**

**TITLE**  
Rules Coordinator

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE: February 25, 2016**  
**TIME: 1:58 PM**  
**WSR 16-06-067**

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

**Name of proponent:**

- Private  
 Public  
 Governmental

**Name of agency personnel responsible for:**

Name	Office Location	Phone
Drafting..... Mark Bohe	1025 Union Ave. SE. Ste #544, Olympia ,WA	(360) 534-1574
Implementation.... Marcus Glasper	1025 Union Ave. SE. Ste #500, Olympia ,WA	(360) 534-1615
Enforcement..... Marcus Glasper	1025 Union Ave. SE. Ste #500, Olympia ,WA	(360) 534-1615

**Has a small business economic impact statement been prepared under chapter 19.85 RCW or has a school district fiscal impact statement been prepared under section 1, chapter 210, Laws of 2012?**

Yes. Attach copy of small business economic impact statement or school district fiscal impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone ()

fax ()

e-mail

No. Explain why no statement was prepared.

This rule does not impose any new performance requirements or administrative burden on any small business not required by statute.

**Is a cost-benefit analysis required under RCW 34.05.328?**

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone ()

fax ()

e-mail

No: Please explain:

The proposed rule is not a significant legislative rule as defined by RCW 34.05.328.

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: Unless one of the exceptions in subsection (2) of this rule applies, 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) 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.

(3) 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))~~ (4) 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))~~ (5) 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))~~ (6) 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))~~ (7) 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.

(8) 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.

Under no circumstances is this proposed rule to be used to determine tax liability and/or exemptions.

(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) A 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 under RCW 84.36.381 through 84.36.389; or

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