



INITIATIVE MEASURE 559

TO THE PEOPLE

Note: The ballot title and explanatory statement were written by the Attorney General as required by law. The complete text of Initiative Measure 559 begins on page 22.

Statement for

Initiative 559 will put common sense and affordability back into our property tax system. In addition, assessments will be stabilized.

Greedy politicians have been riding the real estate market to bigger and bigger budgets, raising taxes as they go. Initiative 559 will stop them.

- Initiative 559 will protect home owners and renters.
- Initiative 559 will limit future assessment increases to 4% annually.
- Initiative 559 will protect both new and long-term home owners.
- Initiative 559 will provide more than adequate funding for schools, parks and social services.

Our current tax structure has forced a 69% increase in property taxes since 1985. Also, the state budget has doubled in the past eight years. It is time to put on the brakes. We should not be taxed out of our homes.

Vote "yes" on Initiative 559 for property tax relief.

Rebuttal of Statement against

The question boils down to a simple one: Should property taxes be lowered?

It is the opponent's job as a politician to find ways to increase the State revenue. The opponent would like to obscure the fact that the middle class always carries the burden of taxation.

Official Ballot Title:

Shall property value for tax purposes be the January 1, 1985 value or subsequent sales price, adjusted for cost of living changes?

The law as it now exists:

Real property is valued for tax purposes at its true and fair value without reference to when the particular property was purchased. The Washington Constitution requires that taxes on the same class of property be uniform within a taxing

Property tax payers are supporters of 559. Why? It lowers taxes. There is a constitutional lid of \$10 per mille on the State tax rate.

For more information call: (206) 322-4740.



Initiative 559 would roll back the recent unfair property tax increases.

Voter Pamphlet Statement Prepared by:

MARIJCKE V. CLAPP, Committee For Fair Property Assessment;
WYNN CANNON, Committee For Fair Property Assessment;
PAM ROACH, State Senator.

Advisory Committee: MIKE HEAVEY, State Representative; SCOTT NOBLE, Valuation Advisor; PAUL SNYDER, Citizen Taxpayer Association; GOVERNOR DIXY LEE RAY.

district, and that all real estate is a single class. The Constitution also limits property taxes to one percent of the true and fair value of property, unless additional taxes are approved by the people.

The effect of Initiative Measure 559, if approved into law:

This initiative would not change any provisions of the Constitution. The initiative declares a different method will be used to determine the value of real property for tax purposes beginning with taxes to be collected in 1992.

The new determination of assessed value would begin with the 1985 assessed value of the particular property, or the selling price, if sold after January 1, 1985. This value would be adjusted to reflect subsequent additions or removals of property improvements. For taxes to be collected in 1992 that property value would be further adjusted to

reflect the percentage change in the cost of living index between 1985, or the sale date if later, and 1991. Any increase in value based on the cost of living adjustment could not exceed four percent a year nor could it result in a value exceeding the present true and fair value of a particular property.

In subsequent years the assessed property value for tax purposes would be annually adjusted by the formula or if the property is sold then the sale price would become the new assessed value.

Statement against

INITIATIVE 559 IS THE WRONG ANSWER FOR WASHINGTON'S PROPERTY TAXPAYERS

I-559 WILL SHIFT TAXES

I-559 doesn't lower taxes, it shifts them from one taxpayer to another. This means owners of low to moderate-valued properties will subsidize the tax burden of high-valued property owners. Why provide tax relief to those who need it the least — the owners of high-valued property — at the expense of the middle class? This is Robin Hood in reverse!

Under I-559, tax relief for some will mean higher taxes for many others.

DON'T BE MISLED; I-559 WILL INCREASE TAXES

Property taxes are calculated by multiplying assessed valuations and tax rates. When valuations go down, tax rates go up. I-559 limits valuation for some, but raises tax rates for all property owners. Even renters will pay more because of property tax increases.

Will you pay less or more? Do you know?

I-559 IS UNEQUAL, UNFAIR AND COMPLICATED

Under I-559, identical homes in the same neighborhood will pay vastly unequal taxes. You may pay higher taxes than your neighbors. Is this fair?

I-559 doesn't reduce property taxes for senior citizens. In fact, senior citizens may be "trapped" in a larger home since taxes on a smaller, more practical home may be much higher.

I-559 places the heaviest tax burden on first-time homebuyers and growing families entering the real estate market. Are you willing to pass this increased tax burden to your children and grandchildren?

I-559 violates our constitutional requirement that all taxes be applied equally and uniformly.

I-559 will cause uncertainty and confusion. Why have your taxes pay for more bureaucracy and lawsuits instead of funding schools, emergency services and fire protection?

Vote "NO" on I-559.

Rebuttal of Statement for

No one wants higher taxes! That's why you should oppose I-559!

In King County alone, 64.9% of housing units under \$120,000 will pay higher taxes, while 92.0% of million-dollar homes get a tax break. That's not fair!

It's even more unfair in other counties!

I-559 doesn't lower assessments equally and doesn't lower taxes at all.

Phoney photos? Simple slogans? Don't be misled! Get the facts! Call your county assessor, then vote "NO."

For more information call (206) 357-6896.

Voters Pamphlet Statement Prepared by:

GLAOYS BURNS, People for Fair Taxes; MARGARET COLONY, President, League of Women Voters of Washington; RUBEN MEHL, President, Washington State Council of Senior Citizens.

Advisory Committee: RAY RYAN, President, Washington State Association of County Assessors; DONALD C. BRUNELL, President, Association of Washington Business; LAWRENCE KENNÉY, President, Washington State Labor Council, AFL-CIO; CONNIE BOYLE, President, Washington Association of REALTORS; ROBERT CLARK, Master, Washington State Grange.



COMPLETE TEXT OF Initiative Measure 553

AN ACT Relating to term limits for elected officials; adding a new section to chapter 43.01 RCW; adding a new section to chapter 44.04 RCW; and adding a new section to chapter 29.68 RCW.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. A new section is added to chapter 43.01 RCW to read as follows:

A person elected to the office of governor or lieutenant governor is eligible to serve not more than two consecutive terms in each office.

NEW SECTION. Sec. 2. A new section is added to chapter 44.04 RCW to read as follows:

A person elected to the Washington state legislature is eligible to serve not more than three consecutive terms in the house of representatives and not more than two consecutive terms in the senate. In addition, no person may serve more than ten consecutive years in any combination of house and senate membership. Terms are considered consecutive unless they are at least six years apart. Therefore, elected legislators who have reached their maximum term limits are eligible for legislative office after an absence of six years from the state legislature. Persons who have already reached the maximum term of service on the effective date of this act are eligible to serve one additional term in either the state house of representatives or the senate.

NEW SECTION. Sec. 3. A new section is added to chapter 29.68 RCW to read as follows:

A person elected to the United States congress from this state is eligible to serve not more than three consecutive terms in the United States house of representatives and not more than two consecutive terms in the United States senate and not more than twelve consecutive years in any combination of United States house and senate membership. Terms are considered to be consecutive unless they are at least six years apart. Therefore, elected legislators who have reached their maximum term limits are eligible for legislative office after an absence of six years from the United States congress. Persons who have already reached the maximum term of service on the effective date of this act are eligible to serve one additional term in either the United States house of representatives or senate.

NEW SECTION. Sec. 4. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.



COMPLETE TEXT OF Initiative Measure 559

AN ACT Relating to property value assessment; amending RCW 84.40.030; adding new sections to chapter 84.40 RCW; and creating new sections.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 84.40.030 and 1988 c 222 s 14 are each amended to read as follows:

Except as provided in sections 2 and 3 of this act, all property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.

Taxable leasehold estates shall be valued at such price as they would bring at a fair, voluntary sale for cash without any deductions for any indebtedness owed including rentals to be paid. Notwithstanding any other provisions of this section or of any other statute, when the value of any taxable leasehold estate created prior to January 1, 1971 is being determined for assessment years prior to the assessment year 1973, there shall be deducted from what would otherwise be the value thereof the present worth of the rentals and other consideration which may be required of the lessee by the lessor for the unexpired term thereof: PROVIDED, That the foregoing provisions of this sentence shall not apply to any extension or renewal, made after December 31, 1970 of the term of any such estate, or to any such estate after the date, if any, provided for in the agreement for rental renegotiation.

The true and fair value of real property for taxation purposes (including property upon which there is a coal or other mine, or stone or other quarry) shall be based upon the following criteria:

(1) Any sales of the property being appraised or similar properties with respect to sales made within the past five years. The appraisal shall take into consideration political restrictions such as zoning as well as physical and environmental influences. The appraisal shall also take into account, (a) in the use of sales by real estate contract as similar sales, the extent, if any, to which the stated selling price has been increased by reason of the down payment, interest rate, or other financing terms; and (b) the extent to which the sale of a similar property actually represents the general effective market demand for property of such type, in the geographical area in which such property is located. Sales involving deed releases or similar seller-developer financing arrangements shall not be used as sales of similar property.

(2) In addition to sales as defined in subsection (1), consideration may be given to cost, cost less depreciation, reconstruction cost less depreciation, or capitalization of income that would be derived from prudent use of the property. In the case of property of a complex nature, or



COMPLETE TEXT OF Initiative Measure 559 (con't.)

being used under terms of a franchise from a public agency, or operating as a public utility, or property not having a record of sale within five years and not having a significant number of sales of similar property in the general area, the provisions of this subsection (2) shall be the dominant factors in valuation. When provisions of this subsection (2) are relied upon for establishing values the property owner shall be advised upon request of the factors used in arriving at such value.

(3) In valuing any tract or parcel of real property, the value of the land, exclusive of structures thereon shall be determined; also the value of structures thereon, but the valuation shall not exceed the value of the total property as it exists. In valuing agricultural land, growing crops shall be excluded.

NEW SECTION. Sec. 2. A new section is added to chapter 84.40 RCW to read as follows:

For taxes payable in 1992 and thereafter, all real property shall be valued at one hundred percent of its assessed value, as finally determined, after any appeals, for property taxes payable in 1985, adjusted as follows: (1) The 1985 assessed value shall be increased to reflect the addition since 1985 of any assessable improvements to such property, that constitute real property, at the cost thereof or, if less, at the true and fair value thereof; (2) the 1985 assessed value shall be reduced to reflect the loss, removal, damage, or destruction since 1985 of any part of such real property, at the true and fair value thereof at the time of such loss, removal, damage, or destruction; and (3) except as provided in section 3 of this act, the 1985 assessed value shall be adjusted to reflect the percentage change in the consumer price index for all urban consumers in the United States, as published by the United States department of labor, from January 1, 1985, to January 1, 1991, for taxes payable in 1992 and for taxes payable in 1993 and thereafter, the assessed value shall be adjusted to reflect the percentage change in the consumer price index for all urban consumers in the United States, as published by the United States department of labor, from January 1 of the year preceding the assessment year to January 1 of the assessment year. In no event shall the percentage change so determined result in an increase in assessed value for any real property that exceeds four percent of the assessed value of the property for the immediately preceding assessment year. In no event shall the assessed value of any real property exceed one hundred percent of the true and fair value thereof as determined under RCW 84.40.030.

NEW SECTION. Sec. 3. A new section is added to chapter 84.40 RCW to read as follows:

In the event any real property is sold or transferred subsequent to January 1, 1985, in a transaction subject to the real estate excise tax imposed under chapter 82.45 RCW, the assessed value thereof shall equal the selling price of the real property as determined under RCW 82.45.030, subject, however, to such adjustments after the date of sale or transfer as are provided in section 2 (1), (2), and (3) of this act; provided, however, adjustments in the assessed value of real property caused by any percentage change in the consumer price index as specified in section 2(3) of this act shall be made from January 1 of the year following any such sale or transfer. In no event shall the assessed value of any real property exceed one hundred percent of the true and fair value of the real property as determined under RCW 84.40.030.

NEW SECTION. Sec. 4. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 5. This act shall be effective for taxes levied for collection in 1992 and thereafter.

NEW SECTION. Sec. 6. The department of revenue shall adopt rules to implement this act.

PLEASE NOTE:

To obtain a copy of the preceding and following texts for the state measures in larger print, call the Secretary of State's toll-free hotline -- 1-800-448-4881.



COMPLETE TEXT OF Referendum Bill 42

AN ACT Relating to state-wide implementation of enhanced 911; amending RCW 38.52.030, 9.73.070, 82.14B.010, 82.14B.020, 82.14B.030, 82.14B.040, 82.14B.090, and 82.14B.100; adding new sections to chapter 38.52 RCW; repealing RCW 80.36.550, 80.36.5501, and 82.14B.080; and providing for submission of this act to a vote of the people.