

ORDINANCE NO. 2726

1 AN ORDINANCE relating to the excise tax on
2 real estate sales; vesting responsibility
3 for collection of the tax in the Department
4 of Executive Administration or its designee,
5 requiring sellers of real property to provide
6 certain information and prescribing penalties
7 clarifying the assessment of interest against
8 certain transfers of real property to corpor-
9 ations wholly owned by the transferors; and,
10 amending Ordinance 808, Sections 6, 8, 9, 10
11 and 11, and King County Code 4.32.060,
12 .080-.110.

13 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

14 SECTION 1. Ordinance 808, Section 6, and King County Code
15 4.32.060 are hereby amended as follows:

16 Collection of Tax - Affixing Stamps. The tax herein levied
17 shall be paid to and collected by the ~~((Department-of-Finance))~~
18 Department of Executive Administration or its designee which
19 ~~((who))~~ shall cause to be affixed to the instrument of sale
20 prior to its recording an appropriate stamp or stamps evidencing
21 satisfaction of the lien imposed hereunder and shall further issue
22 a receipt acknowledging such payment which receipt shall be
23 evidence of the satisfaction of the lien imposed hereunder and
24 may be recorded in the manner prescribed for recording satis-
25 faction of mortgages.

26 SECTION 2. Ordinance 808, Section 8, and King County Code
27 4.32.080 are hereby amended as follows:

28 Duties of Seller. (a) It shall be the duty of the seller
29 within thirty days after the date of sale to furnish to the
30 ~~((Comptroller-Division))~~ Department of Executive Administration,
31 Division of Records & Elections an affidavit containing:

- 32 (1) ~~((The-full-name-and-address-of-the-seller,~~
33 ~~full-name-and-address-of-the-purchaser,))~~

The full names and addresses of the seller and
the purchaser of the real property involved;

- 1 (2) The legal description of the real property involved;
2 (3) The name of the city or town, if any, within which
3 said real property is located;
4 (4) ~~((The-joint-department-of-assessments-and-the~~
5 department-of-executive-administration,-comptroller
6 division-tax-account-number-of-said-real-property;))
7 The account number used jointly by the Department
8 of Assessments and the Department of Executive
9 Administration, Comptroller Division for said
10 real property;
11 (5) A statement indicating whether or not said property
12 is a part of a larger tract taxed as one unit;
13 (6) If said property is part of a larger tract taxed
14 as one unit, a statement indicating whether or
15 not a plat or short plat has been filed and
16 approved by King County and the plat file number
17 for such file and approved plat or short plat;
18 (7) The date of sale or other transfer;
19 (8) The nature of the transfer; ((and))
20 (9) The total sale price;
21 (10) The value of any personal property involved in
22 the transaction;
23 (11) A statement indicating whether or not the property
24 is subject to a senior citizen or disabled person
25 exemption; and
26 (12) Any information which the Division of Records &
27 Elections, or its designee has by rule deemed
28 necessary for a determination of the market
29 value of said property, including, but not
30 limited to, information about the type of
31 property transferred, any factors included in
32 the sale price which do not constitute con-
33 sideration for said real property, the nature

1 of the parties to the transfer, and the relation-
 2 ship of the use of the real property to uses of
 3 adjoining real property. ((which))

4 Said affidavit shall be subscribed and sworn to by the
 5 transferor ((seller)), transferee ((buyer)) or agent of either,
 6 before a notary public, ~~((the-Department-of-Executive-Adminis-~~
 7 ~~tration,-Comptroller-Division))~~ or ((his)) the duly authorized
 8 ((deputy)) designee of the Division of Records & Elections.

9 Provided: That if the Washington State Department of Revenue
 10 requires reports contrary with or in addition to the requirements
 11 imposed by this section, the requirements of said department shall
 12 supersede the requirements of this section to that extent.

13 The following warning shall appear in bold face print near
 14 the signature block of the affidavit required by this subsection:

15 Any person willfully giving false information in this
 16 affidavit shall be subject to the PERJURY LAWS of
 17 the State of Washington. Offering property for sale
 18 or transfer without prior filing of approved plat or
 19 short plat is a violation of RCW 58.17 and county
 20 regulations and is subject to civil and criminal
 21 penalties.

22 (b) Where the transaction involves the exchange in whole
 23 or in part of any real property or any estate or interest therein
 24 or any contract right thereto for any other real property or
 25 estate or interest therein or contract right thereto, there
 26 shall be filed by or on behalf of each grantor ((the-above
 27 affidavit)) the affidavit required by subsection (a) of this
 28 section, which said affidavit shall state the fair market value
 29 of the property so exchanged, and a tax shall be levied and
 30 collected as to each transfer.

31 (c) Where the transaction involved is a lease with an
 32 option in the lease to buy real property or any estate or
 33 interest therein or contract right thereto, and the selling
 34 price is not stated in the instrument, the grantor, grantee
 35 or the agent of either shall, by affidavit, state the option

1 price intended and the tax levied hereunder shall be on such
2 stated option price; provided, that if, upon execution and
3 delivery of instrument of conveyance or transfer pursuant to
4 such option, the actual consideration passing be greater than
5 the option price stated in the affidavit filed at the time the
6 lease with option was executed, there is hereby levied and
7 there shall be collected under this chapter the tax on such
8 additional amounts prior to the time the deed is accepted for
9 recording: provided further, that where, by the instrument of
10 lease, the lease payments do not apply on the ultimate sales
11 price, the tax levied hereunder shall not be payable until the
12 option is exercised and accepted.

13 (d) Where the transaction involved constitutes a sale of
14 standing timber under this chapter and the selling price is
15 stated in such conveyance as being determinable in the future
16 on the basis of footage removed or on a stumpage basis, it shall
17 be the duty of the seller to execute and file with the Department
18 of Executive Administration, Division of Records & Elections
19 ~~((Comptroller-Division, -the-foregoing-affidavit))~~ the affidavit
20 required by subsection (a) of this section stating, in addition
21 to the other requirements, the legal description of the real
22 property on which such standing timber is located and an
23 estimate, to the best of his knowledge, of the selling price
24 ultimately to be received and shall pay to the county under
25 this chapter a sum equal to one percent of such estimated selling
26 price. On the expiration date of such timber contract, if not
27 extended, or at the time cutting and removal is completed,
28 whichever is earlier, it shall be the duty of the seller to
29 execute and file with the county an additional affidavit in the
30 above form setting price actually paid. In the event such
31 amount results in a tax greater than the sum theretofore paid
32 on the estimate, the seller shall pay such additional amount
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1 to the county. In the event such amount be less than the original
2 estimate, (~~the department of executive administration, comp-~~
3 ~~troller division~~) the Division of Records & Elections is hereby
4 directed to refund the excess payment to the taxpayer.

5 (e) Where the transaction involved constitutes a condi-
6 tional sale of mining property in which the buyer has the right
7 to terminate the contract at any time, and a lease and option to buy
8 mining property in which the leasee-buyer has the right to ter-
9 minate the lease and option at any time, shall be taxable at
10 the time of execution only on the consideration received by the
11 seller or lessor for execution of said contract; provided, that
12 the tax due on any additional consideration paid by the buyer
13 and received by the seller shall be paid to the county (1) at
14 the time of termination, or (2) at the time that all of the con-
15 sideration due to the seller has been paid and the transaction
16 is completed except for the delivery of the deed to the buyer,
17 or (3) at the time when the buyer unequivocally exercises an
18 option to purchase the property, whichever of the three events
19 occurs first. The term "mining property" means property con-
20 taining or believed to contain metallic minerals and sold or
21 leased under terms which require the purchaser or (~~lessor~~)
22 leasee to conduct exploration or mining work thereon and for no
23 other use. The term "metallic minerals" does not include clay,
24 coal, sand and gravel, peat, gypsite or stone, including limestone.

25 (f) Any violation of this section, including providing
26 false or misleading information in any affidavit required by
27 this section, is a misdemeanor and the punishment shall be as
28 provided by the laws of the State of Washington.

29 SECTION 3. Ordinance 808, Section 9, and King County Code
30 4.32.090 are hereby amended to read as follows:

31 Filing affidavit of sale. (~~The department of finance~~)
32 The Department of Executive Administration or its designee shall
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1 retain and file the original of such affidavit and shall
2 furnish one copy to the county assessor.

3 SECTION 4. Ordinance 808, Section 10, and King County
4 Code 4.32.100 are hereby amended as follows:

5 Tax due at Time of Sale. The tax imposed hereunder shall
6 become due and payable immediately at the time of sale, and if
7 not so paid within thirty days thereafter, shall bear interest
8 at the rate of one percent per month, from the date of sale,
9 which interest shall be added to the tax and likewise bear
10 interest thereafter: provided, that where an excise tax has
11 become due and payable pursuant to Ordinance 808, Section 4 (a)
12 and King County Code 4.32.040 (a) and is not paid within thirty
13 days, interest on the excise tax so due shall accrue from the
14 date of the voluntary transfer which has made the previously
15 exempted transfer taxable under King County Code 4.32.040 (a).

16 SECTION 5. Ordinance 808, Section 11, and King County Code
17 4.32.110 are hereby amended as follows:

18 Refund of Excess Tax Paid. If upon written application
19 by a taxpayer to the ((department-of-finance)) Division of
20 Records & Elections for a refund hereunder, or upon examination
21 of the record by the ((department-of-finance)) Department of
22 Executive Administration or its designee without such application,
23 it appears that a tax has been paid hereunder in excess of the
24 amount actually due or upon sale or other transfer herein
25 declared to be exempt from tax hereunder, such excess amount or
26 improper payment shall be refunded by the ((department-of-
27 finance)) Department of Executive Administration or its designee

1 to the taxpayer. No refund shall be made with respect to any
2 payment more than one year before the date of application of
3 examination.

4 INTRODUCED AND READ for the first time this 12th
5 day of April, 19 76.

6 PASSED this 24th day of May, 19 76.

7 KING COUNTY COUNCIL
8 KING COUNTY, WASHINGTON

9 [Signature]
10 Chairman

11 ATTEST:

12
13 [Signature]
14 Clerk of the Council

15 APPROVED this 1st day of June, 19 76.

16 [Signature]
17 King County Executive

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