

RCW 84.36.070 Intangible personal property—Appraisal. (1)

Intangible personal property is exempt from ad valorem taxation.

(2) "Intangible personal property" means:

(a) All moneys and credits including mortgages, notes, accounts, certificates of deposit, tax certificates, judgments, state, county and municipal bonds and warrants and bonds and warrants of other taxing districts, bonds of the United States and of foreign countries or political subdivisions thereof and the bonds, stocks, or shares of private corporations;

(b) Private nongovernmental personal service contracts, private nongovernmental athletic or sports franchises, or private nongovernmental athletic or sports agreements provided that the contracts, franchises, or agreements do not pertain to the use or possession of tangible personal or real property or to any interest in tangible personal or real property; and

(c) Other intangible personal property such as trademarks, trade names, brand names, patents, copyrights, trade secrets, franchise agreements, licenses, permits, core deposits of financial institutions, noncompete agreements, customer lists, patient lists, favorable contracts, favorable financing agreements, reputation, exceptional management, prestige, good name, or integrity of a business.

(3) "Intangible personal property" does not include zoning, location, view, geographic features, easements, covenants, proximity to raw materials, condition of surrounding property, proximity to markets, the availability of a skilled workforce, and other characteristics or attributes of property.

(4) This section does not preclude the use of, or permit a departure from, generally accepted appraisal practices and the appropriate application thereof in the valuation of real and tangible personal property, including the appropriate consideration of licenses, permits, and franchises granted by a government agency that affect the use of the property. [1997 c 181 s 1; 1974 ex.s. c 118 s 1; 1961 c 15 s 84.36.070. Prior: 1931 c 96 s 1; RRS s 11111-1. FORMER PART OF SECTION: 1925 ex.s. c 130 s 5, part, now codified in RCW 84.04.080.]

Construction—1997 c 181: "This act shall not be construed to amend or modify any existing statute or rule relating to the treatment of computer software, retained rights in computer software, and golden and master copies of computer software for property tax purposes." [1997 c 181 s 3.]

Intent—No relation to other state's law—1997 c 181: "Nothing in this act is intended to incorporate and nothing in this act is based on any other state's statutory or case law." [1997 c 181 s 4.]

Severability—1997 c 181: "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." [1997 c 181 s 5.]

Applicability—1997 c 181: "This act is effective for taxes levied for collection in 1999 and thereafter." [1997 c 181 s 6.]

Report to legislature—1997 c 181: "By December 1, 2000, the department of revenue shall submit a report to the house finance committee, the senate ways and means committee, and the office of the governor on tax shifts, tax losses, and any litigation resulting from this act." [1997 c 181 s 7.]