



City of Tacoma
Finance Department
Office of Management & Budget

City Council Public Hearing
2023 Ad Valorem Tax
November 21, 2023

A. SUBJECT OF HEARING

Setting of the 2024 Ad Valorem levies for General Property and the Emergency Medical Services taxes.

B. BACKGROUND

RCW 84.55.120: Public hearing - Taxing district's revenue sources - Adoption of tax increase by ordinance or resolution.

(1) A taxing district, other than the state, that collects regular levies must hold a public hearing on revenue sources for the district's following year's current expense budget. The hearing must include consideration of possible increases in property tax revenues and must be held prior to the time the taxing district levies the taxes or makes the request to have the taxes levied. The county legislative authority, or the taxing district's governing body if the district is a city, town, or other type of district, must hold the hearing. For purposes of this section, "current expense budget" means that budget which is primarily funded by taxes and charges and reflects the provision of ongoing services. It does not mean the capital, enterprise, or special assessment budgets of cities, towns, counties, or special purpose districts.

(2) If the taxing district is otherwise required to hold a public hearing on its proposed regular tax levy, a single public hearing may be held on this matter.

(3)(a) Except as provided in (b) of this subsection (3), no increase in property tax revenue may be authorized by a taxing district, other than the state, except by adoption of a separate ordinance or resolution, pursuant to notice, specifically authorizing the increase in terms of both dollars and percentage. The ordinance or resolution may cover a period of up to two years, but the ordinance must specifically state for each year the dollar increase and percentage change in the levy from the previous year.

(b) Exempt from the requirements of (a) of this subsection are increases in revenue resulting from the addition of:

(i) New construction;

(ii) Increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, if such facilities generate electricity and the property is not included elsewhere under this section for purposes of providing an additional dollar amount. The property may be classified as real or personal property;

(iii) Improvements to property;

(iv) Any increase in the value of state-assessed property; and

(v) Any increase in the assessed value of real property, as that term is defined in RCW 39.114.010, within an increment area as designated by any local government in RCW 39.114.020 provided that such increase is not included elsewhere under this section. This subsection (3)(b)(v) does not apply to levies by the state or by port districts and public utility districts for the purpose of making required payments of principal and interest on general indebtedness.

[2021 c 207 § 11; 2014 c 4 § 5; 2006 c 184 § 6; 1997 c 3 § 209 (Referendum Bill No. 47, approved November 4, 1997); 1995 c 251 § 1.]

For more information, please contact Reid Bennion, Acting Budget Officer, at 253-591-5116.