

2022 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
CBO	503	A	001

Budget Action Title: Pass CB 120203 - CBO Long Property Tax 2022 Ordinance

Ongoing: Yes Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Budget Committee

Council Members:

Staff Analyst: Tom Mikesell

Council Bill or Resolution: CB 120203

Date		Total	LH	TM	KS	AP	DJ	DS	AL	BC	LG
	Yes	0									
	No	0									
	Abstain	0									
	Absent	0									

Summary of Dollar Effect

See the following pages for detailed technical information

	2022 Increase (Decrease)	2023 Increase (Decrease)
General Fund		
General Fund Revenues	\$0	
General Fund Expenditures	\$0	
Net Balance Effect	\$0	
Total Budget Balance Effect	\$0	

Budget Action Description:

This Council Budget Action recommends passage of Council Bill 120203, known as the “long” property tax ordinance. The long property tax ordinance is one of the two ordinances required to levy property taxes for collection in 2022. This bill fixes the rates and/or amounts of property taxes to be levied, and levies the taxes.

This bill increases the regular non-voted levy by 1 percent for taxes to be collected in 2022, adds the allowance for new construction and other allowable amounts, and specifies the dollar amounts to be collected for the special purposes of voter-approved property tax measures. This bill also levies the excess levy property taxes to pay debt service on voter-approved bond measures.

RCW 84.55 limits the increase in regular property tax that the City can collect, based on the previous year’s regular property tax multiplied by a “limit factor.” The City is generally required to use the lesser of 101 percent, or 100 percent plus the “implicit price deflator” (IPD) (the measure of inflation that applies to

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property tax calculations), as the limit factor. If the IPD is less than one percent, and the Council finds, by supermajority vote, a substantial need to use 101 percent as the limit factor, then the City can use 101 percent as the limit factor.

The IPD for 2022 is 3.86, exceeding one percent. Because the IPD is greater than 1 percent, 101 percent is used as the tax limit factor.

The total anticipated property tax revenue collected in 2022 under this bill would be about \$587.4 million.

Budget Action Transactions

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BSL	Fund	Year	Revenue Amount	Expenditure Amount
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