

HB 2088 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Chris Allanach, Legislative Revenue Officer

Meeting Dates: 1/25

WHAT THE MEASURE DOES:

Directs each county treasurer to withhold three percent of all property tax receipts for use by counties to administer the state's property tax. Appropriates a blank amount to the Department of Revenue for deposit into the County Assessment Function Funding Assistance (CAFFA) Account. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

County governments perform the function of property assessment and taxation, collecting and distributing revenue for all local governments. The County Assessment Function Funding Assistance Account (CAFFA Account) is used to offset the costs incurred by counties for this function. While costs have increased over time, the share of expenses covered by this account has declined, averaging about 30 percent twenty years ago, down to about 16 percent over the last five years.