# Title 84
# PROPERTY TAXES

**Chapters**



*Additional provisions relating to taxes, see titles pertaining to particular taxing authorities, i.e., cities, counties, school districts, etc.*

*Building permits, new construction: Chapter 36.21 RCW.*

*Burying place exempt from execution: RCW 68.24.220.*

*Cemetery associations, nonprofit: RCW 68.20.110, 68.20.120.*

*Cities, unfit buildings: Chapter 35.80 RCW.*

*Cities and towns, prepayment by taxpayer of taxes and assessments owed to: RCW 35.21.650.*

*Columbia Basin project: RCW 89.12.120.*

*Community renewal: Chapter 35.81 RCW.*

*Conservation districts: Chapter 89.08 RCW.*

*Constitutional limitations generally: State Constitution Art. 2 § 40, Art. 7, Art. 11, §§ 9, 12.*

*Counties, prepayment and deposit of taxes and assessments: RCW 36.32.120.*

*Federal agencies and instrumentalities, taxation: State Constitution Art. 7 §§ 1, 3; Title 37 RCW.*

*Flood control district property: RCW 86.09.520.*

*Irrigation district property: RCW 87.03.260.*

*Lease of tax acquired property for underground storage of natural gas: RCW 80.40.070.*

*Limitation on levies: State Constitution Art. 7 § 2.*

*Local improvement trust property: RCW 35.53.010.*

*Olympic National Park: RCW 37.08.210.*

*Personal exemption not applicable to tax levied on such property: RCW 6.15.010.*

*Privilege taxes: Chapter 54.28 RCW.*

*Public utility districts: RCW 54.16.080.*

*Qualifications for persons assessing real property—Examination: RCW 36.21.015.*

*Rainier National Park: RCW 37.08.200.*

*Real estate, excise tax on transfer: Chapters 82.45 and 82.46 RCW.*

*Savings and loan associations: RCW 33.28.040.*

*Tax returns, remittances, etc., filing and receipt: RCW 1.12.070.*

*Taxing districts, general indebtedness limitation: Chapter 39.36 RCW.*

*Termination of tax preferences: Chapter 43.136 RCW.*

## Chapter 84.04 RCW
## DEFINITIONS

Sections



**84.04.010 Introductory.** Unless otherwise expressly provided or unless the context indicates otherwise, terms used in this title shall have the meaning given to them in this chapter. [1961 c 15 § 84.04.010.]

**84.04.020 "Assessed valuation of taxable property," and similar terms.** The terms "assessed valuation of taxable property", "valuation of taxable property", "value of taxable property", "taxable value of property", "property assessed" and "value" whenever used in any statute, law, charter or ordinance with relation to the levy of taxes in any taxing district, shall be held and construed to mean "assessed value of property" as defined in RCW 84.04.030. [1961 c 15 § 84.04.020. Prior: 1919 c 142 § 2; RRS § 11227.]

**84.04.030 "Assessed value of property."** "Assessed value of property" shall be held and construed to mean the aggregate valuation of the property subject to taxation by any taxing district as placed on the last completed and balanced tax rolls of the county preceding the date of any tax levy. [2001 c 187 § 2; 1997 c 3 § 102 (Referendum Bill No. 47, approved November 4, 1997); 1961 c 15 § 84.04.030. Prior: (i) 1925 ex.s. c 130 § 3; RRS § 11107. (ii) 1919 c 142 § 1, part; RRS § 11226, part.]

Additional notes found at www.leg.wa.gov

**84.04.040 "Assessment year," "fiscal year."** The assessment year contemplated in this title and the fiscal year contemplated in this title shall commence on January 1st and end on December 31st in each year. [1961 c 15 § 84.04.040. Prior: 1939 c 206 § 39; 1925 ex.s. c 130 § 81; 1897 c 71 § 66; 1893 c 124 § 67; 1890 p 560 § 82; RRS § 11242.]

**84.04.045 "County auditor."** "County auditor" shall be construed to mean registrar or recorder, whenever it shall be necessary to use the same to the proper construction of this title. [1961 c 15 § 84.04.045. Prior: 1925 ex.s. c 130 § 6, part; 1897 c 71 § 4, part; 1893 c 124 § 4, part; 1890 p 531 § 4, part; 1886 p 48 § 2, part; Code 1881 § 2830, part; RRS § 11110, part.]

**84.04.047 "Department."** "Department" means the department of revenue of the state of Washington. [1979 c 107 § 25.]

**84.04.050 "Householder."** "Householder" shall be taken to mean and include every person, married, in a state registered domestic partnership, or single, who resides within the state of Washington being the owner or holder of an estate or having a house or place of abode, either as owner or lessee. [2009 c 521 § 195; 1961 c 15 § 84.04.050. Prior: 1925 ex.s. c 130 § 6, part; 1897 c 71 § 4, part; 1893 c 124 § 4, part; 1890 p 531 § 4, part; 1886 p 48 § 2, part; Code 1881 § 2830, part; RRS § 11110, part.]

**84.04.055 "Legal description."** "Legal description" shall be given its commonly accepted meaning, but for property tax purposes, the parcel number is sufficient for the legal description. [1989 c 378 § 6.]

**84.04.060 "Money," "moneys."** "Money" or "moneys" shall be held to mean coin or paper money issued by the United States government. [1998 c 106 § 12; 1961 c 15 § 84.04.060. Prior: 1925 ex.s. c 130 § 6, part; 1897 c 71 § 4, part; 1893 c 124 § 4, part; 1890 p 531 § 4, part; 1886 p 48 § 2, part; Code 1881 § 2830, part; RRS § 11110, part.]

**84.04.065 Number and gender.** Every word importing the singular number only may be extended to or embrace the plural number, and every word importing the plural number may be applied and limited to the singular number, and every word importing the masculine gender only may be extended and applied to females as well as males. [1961 c 15 § 84.04.065. Prior: 1925 ex.s. c 130 § 6, part; 1897 c 71 § 4, part; 1893 c 124 § 4, part; 1890 p 531 § 4, part; 1886 p 48 § 2, part; Code 1881 § 2830, part; RRS § 11110, part.]

**84.04.070 "Oath," "swear."** "Oath" may be held to mean affirmation, and the word "swear" may be held to mean affirm. [1961 c 15 § 84.04.070. Prior: 1925 ex.s. c 130 § 6, part; 1897 c 71 § 4, part; 1893 c 124 § 4, part; 1890 p 531 § 4, part; 1886 p 48 § 2, part; Code 1881 § 2830, part; RRS § 11110, part.]

**84.04.075 "Person."** "Person" shall be construed to include firm, company, association or corporation. [1961 c 15 § 84.04.075. Prior: 1925 ex.s. c 130 § 6, part; 1897 c 71 § 4, part; 1893 c 124 § 4, part; 1890 p 531 § 4, part; 1886 p 48 § 2, part; Code 1881 § 2830, part; RRS § 11110, part.]

**84.04.080 "Personal property."** "Personal property" for the purposes of taxation, shall be held and construed to embrace and include, without especially defining and enumerating it, all goods, chattels, stocks, estates or moneys; all standing timber held or owned separately from the ownership of the land on which it may stand; all fish trap, pound net, reef net, set net and drag seine fishing locations; all leases of real property and leasehold interests therein for a term less than the life of the holder; all improvements upon lands the fee of which is still vested in the United States, or in the state of Washington; all gas and water mains and pipes laid in roads, streets or alleys; and all property of whatsoever kind, name, nature and description, which the law may define or the courts interpret, declare and hold to be personal property for the purpose of taxation and as being subject to the laws and under the jurisdiction of the courts of this state, whether the same be any marine craft, as ships and vessels, or other property holden under the laws and jurisdiction of the courts of this state, be the same at home or abroad: PROVIDED, That mortgages, notes, accounts, certificates of deposit, tax certificates, judgments, state, county, municipal and taxing district bonds and warrants shall not be considered as property for the purpose of this title, and no deduction shall hereafter be made or allowed on account of any indebtedness owed. [1961 c 15 § 84.04.080. Prior: 1925 ex.s. c 130 § 5, part; 1907 c 108 §§ 1, 2; 1907 c 48 § 1, part; 1901 ex.s. c 2 § 1, part; 1897 c 71 § 3, part; 1895 c 176 § 1, part; 1893 c 124 § 3, part; 1891 c 140 § 3, part; 1890 p 530 § 3, part; 1886 p 48 § 2, part; Code 1881 § 2830, part; 1871 p 37 § 1, part; 1869 p 176 § 3, part; 1854 p 332 § 4, part; RRS § 11109, part.]

*Fox, mink, marten declared personalty: RCW 16.72.030.*

**84.04.090 "Real property."** The term "real property" for the purposes of taxation shall be held and construed to mean and include the land itself, whether laid out in town lots or otherwise, and all buildings, structures or improvements or other fixtures of whatsoever kind thereon, except improvements upon lands the fee of which is still vested in the United States, or in the state of Washington, and all rights and privileges thereto belonging or in any wise appertaining, except leases of real property and leasehold interests therein for a term less than the life of the holder; and all substances in and under the same; all standing timber growing thereon, except standing timber owned separately from the ownership of the land upon which the same may stand or be growing; and all property which the law defines or the courts may interpret, declare and hold to be real property under the letter, spirit, intent and meaning of the law for the purposes of taxation.

The term real property shall also include a mobile home which has substantially lost its identity as a mobile unit by virtue of its being permanently fixed in location upon land owned or leased by the owner of the mobile home and placed on a permanent foundation (posts or blocks) with fixed pipe connections with sewer, water, or other utilities: PROVIDED, That a mobile home located on land leased by the owner of the mobile home shall be subject to the personal property provisions of chapter 84.56 RCW and RCW 84.60.040. [1987 c 155 § 1; 1985 c 395 § 2; 1971 ex.s. c 299 § 70; 1961 c 15 § 84.04.090. Prior: 1925 ex.s. c 130 § 4; 1897 c 71 § 2; 1893 c 124 § 2; 1891 c 140 § 2; 1890 p 530 § 2; 1886 p 48 § 2, part; Code 1881 § 2830, part; 1871 p 37 § 2; 1869 p 176 § 2; RRS § 11108.]

Additional notes found at www.leg.wa.gov

**84.04.095 Classification of components of irrigation systems.** Notwithstanding RCW 84.04.080 and 84.04.090, the department shall classify, by rule, the components of irrigation systems as real or personal property for purposes of taxation under this title. [1987 c 319 § 8.]

**84.04.100 "Tax" and derivatives.** The word "tax" and its derivatives, "taxes," "taxing," "taxed," "taxation" and so forth shall be held and construed to mean the imposing of burdens upon property in proportion to the value thereof, for the purpose of raising revenue for public purposes. [1961 c 15 § 84.04.100. Prior: 1925 ex.s. c 130 § 1; 1897 c 71 § 1; 1893 c 124 § 1; RRS § 11105.]

**84.04.120 "Taxing district."** "Taxing district" means the state and any county, city, town, port district, school district, road district, metropolitan park district, regional transit authority, water-sewer district, or other municipal corporation, now or hereafter existing, having the power or authorized by law to impose burdens upon property within the district in proportion to the value thereof, for the purpose of obtaining revenue for public purposes, as distinguished from municipal corporations authorized to impose burdens, or for which burdens may be imposed, for such purposes, upon property in proportion to the benefits accruing thereto. [2015 3rd sp.s. c 44 § 326; 1999 c 153 § 69; 1961 c 15 § 84.04.120. Prior: (i) 1919 c 142 § 1, part; RRS § 11226, part. (ii) 1925 ex.s. c 130 § 2; RRS § 11106.]

**Effective date—2015 3rd sp.s. c 44:** See note following RCW 46.68.395.

Additional notes found at www.leg.wa.gov

**84.04.130 "Tract," "lot," etc.** "Tract" or "lot," and "piece or parcel of real property," and "piece or parcel of lands" shall each be held to mean any contiguous quantity of land in the possession of, owned by, or recorded as the property of the same claimant, person or company. [1961 c 15 § 84.04.130. Prior: 1925 ex.s. c 130 § 6, part; 1897 c 71 § 4, part; 1893 c 124 § 4, part; 1890 p 531 § 4, part; 1886 p 48 § 2, part; Code 1881 § 2830, part; RRS § 11110, part.]

**84.04.140 "Regular property taxes," "regular property tax levies."** The term "regular property taxes" and the term "regular property tax levy" shall mean a property tax levy by or for a taxing district which levy is subject to the aggregate limitation set forth in RCW 84.52.043 and 84.52.050, as now or hereafter amended, or which is imposed by or for a port district or a public utility district. [1973 1st ex.s. c 195 § 88; 1971 ex.s. c 288 § 13.]

Additional notes found at www.leg.wa.gov

**84.04.150 "Computer software" and related terms.** (1) "Computer software" is a set of directions or instructions that exist in the form of machine-readable or human-readable code, is recorded on physical or electronic medium, and directs the operation of a computer system or other machinery or equipment. "Computer software" includes the associated documentation that describes the code and its use, operation, and maintenance and typically is delivered with the code to the user. "Computer software" does not include databases.

A "database" is text, data, or other information that may be accessed or managed with the aid of computer software but that does not itself have the capacity to direct the operation of a computer system or other machinery or equipment.

(2) "Custom computer software" is computer software that is designed for a single person's or a small group of persons' specific needs. "Custom computer software" includes modifications to canned computer software and can be developed in-house by the user, by outside developers, or by both.

A group of four or more persons is presumed not to be a small group of persons for the purposes of this subsection unless each of the persons is affiliated through common control and ownership. The department may by rule provide a definition of small group and affiliates consistent with this subsection.

For purposes of this subsection, "person" has the meaning given in RCW 82.04.030.

(3) "Canned computer software," occasionally known as prewritten or standard software, is computer software that is designed for and distributed "as is" for multiple persons who can use it without modifying its code and that is not otherwise considered custom computer software.

(4) "Embedded software" is computer software that resides permanently on some internal memory device in a computer system or other machinery or equipment, that is not removable in the ordinary course of operation, and that is of a type necessary for the routine operation of the computer system or other machinery or equipment. "Embedded software" may be either canned or custom computer software.

(5) "Retained rights" are any and all rights, including intellectual property rights such as those rights arising from copyrights, patents, and trade secret laws, that are owned or are held under contract or license by a computer software developer, author, inventor, publisher, licensor, sublicensor, or distributor.

(6) A "golden" or "master" copy of computer software is a copy of computer software from which a computer software developer, author, inventor, publisher, licensor, sublicensor, or distributor makes copies for sale or license. [1991 sp.s. c 29 § 2.]

**Findings—Intent—1991 sp.s. c 29:** "(1) The legislature finds that:

(a) Computer software is a class of personal property that is itself comprised of several different subclasses of personal property which can be distinguished by their use, development, distribution, and relationship to hardware, and includes custom software, canned software, and embedded software;

(b) Because different classes of software serve different needs, may be used by different taxpayers, and present different administrative burdens on both the state and the citizens of the state of Washington, the different classes of software should be treated differently for tax purposes;

(c) Canned software should continue to be subject to property tax, but, because of its rapid obsolescence, should be subject to tax for only two years; and the taxable interest should reside with the end user;

(d) Canned software that has been modified should continue to be taxable on the canned portion of the software;

(e) Embedded software should continue to be taxed as part of the machinery or equipment of which it is a part;

(f) Custom software should be exempt from taxation, in part because of the difficulty in accurately and uniformly determining the value of such software;

(g) Retained rights in computer software should be exempt from the property tax in part because of the difficulty in accurately and uniformly determining the value of such software, the difficulty in determining the scope and situs of such rights, and the adverse economic consequences to the state of taxing such rights; and

(h) So-called "golden" or "master" copies of software should be exempt from property tax like business inventory.

(2) It is the intent of the legislature that:

(a) The voluntary compliance nature of the personal property tax system should be preserved and nothing in this act shall be construed to reduce the taxpayer's obligation to fully and accurately list all taxable computer software;

(b) Computer software should be listed and assessed for property taxes payable in 1991 and 1992 in the same manner and to the same extent as computer software was listed and assessed for taxes due in 1989;

(c) The definition of custom software, golden or master copies, and retained rights shall be liberally construed in accordance with the purposes of this act;

(d) This act shall provide fairness, equity, and uniformity in the property tax treatment of each class of computer software in the state of Washington; and

(e) No inference should be taken from this act regarding the application of the property tax to databases." [1991 sp.s. c 29 § 1.]

Additional notes found at www.leg.wa.gov

**84.04.900 Construction—Title applicable to state registered domestic partnerships—2009 c 521.** For the purposes of this title, the terms spouse, marriage, marital, husband, wife, widow, widower, next of kin, and family shall be interpreted as applying equally to state registered domestic partnerships or individuals in state registered domestic partnerships as well as to marital relationships and married persons, and references to dissolution of marriage shall apply equally to state registered domestic partnerships that have been terminated, dissolved, or invalidated, to the extent that such interpretation does not conflict with federal law. Where necessary to implement chapter 521, Laws of 2009, gender-specific terms such as husband and wife used in any statute, rule, or other law shall be construed to be gender neutral, and applicable to individuals in state registered domestic partnerships. [2009 c 521 § 194.]

## Chapter 84.08 RCW
## GENERAL POWERS AND DUTIES OF DEPARTMENT OF REVENUE

Sections



*Constitutional limitations on taxation: State Constitution Art. 2 § 40, Art. 7, Art. 11, §§ 9, 12.*

*Public bodies may retain collection agencies to collect public debts—Fees: RCW 19.16.500.*

*Taxing districts, general limitation of indebtedness: Chapter 39.36 RCW.*

**84.08.005 Adoption of provisions of chapter 82.01 RCW.** The provisions of chapter 82.01 RCW, as now or hereafter amended, apply to Title 84 RCW as fully as though they were set forth herein. [1961 c 15 § 84.08.005.]

**84.08.010 Powers of department of revenue—General supervision—Rules and processes—Visitation of counties.** The department of revenue shall:

(1) Exercise general supervision and control over the administration of the assessment and tax laws of the state, over county assessors, and county boards of equalization, and over boards of county commissioners, county treasurers and county auditors and all other county officers, in the performance of their duties relating to taxation, and perform any act or give any order or direction to any county board of equalization or to any county assessor or to any other county officer as to the valuation of any property, or class or classes of property in any county, township, city or town, or as to any other matter relating to the administration of the assessment and taxation laws of the state, which, in the department's judgment may seem just and necessary, to the end that all taxable property in this state shall be listed upon the assessment rolls and valued and assessed according to the provisions of law, and equalized between persons, firms, companies and corporations, and between the different counties of this state, and between the different taxing units and townships, so that equality of taxation and uniformity of administration shall be secured and all taxes shall be collected according to the provisions of law.

(2) Formulate such rules and processes for the assessment of both real and personal property for purposes of taxation as are best calculated to secure uniform assessment of property of like kind and value in the various taxing units of the state, and relative uniformity between properties of different kinds and values in the same taxing unit. The department of revenue shall furnish to each county assessor a copy of the rules and processes so formulated. The department of revenue may, from time to time, make such changes in the rules and processes so formulated as it deems advisable to accomplish the purpose thereof, and it shall inform all county assessors of such changes.

(3) Visit the counties in the state, unless prevented by necessary official duties, for the investigation of the methods adopted by the county assessors and county boards of commissioners in the assessment and equalization of taxation of real and personal property; carefully examine into all cases where evasion of property taxation is alleged, and ascertain where existing laws are defective, or improperly or negligently administered. [1975 1st ex.s. c 278 § 147; 1961 c 15 § 84.08.010. Prior: 1939 c 206 §§ 4, part and 5, part; 1935 c 127 § 1, part; 1931 c 15 § 1, part; 1927 c 280 § 5, part; 1925 c 18 § 5, part; 1921 c 7 §§ 50, 53; 1907 c 220 § 1, part; 1905 c 115 § 2, part; RRS §§ 11091 (first), part and 11091 (second), part.]

Additional notes found at www.leg.wa.gov

**84.08.020 Additional powers—To advise county and local officers—Books and blanks—Reports.** The department of revenue shall:

(1) Confer with, advise and direct assessors, boards of equalization, county boards of commissioners, county treasurers, county auditors and all other county and township officers as to their duties under the law and statutes of the state, relating to taxation, and direct what proceedings, actions or prosecutions shall be instituted to support the law relating to the penalties, liabilities and punishment of public officers, persons, and officers or agents of corporations for failure or neglect to comply with the provisions of the statutes governing the return, assessment and taxation of property, and the collection of taxes, and cause complaint to be made against any of such public officers in the proper county for their removal from office for official misconduct or neglect of duty. In the execution of these powers and duties the said department or any member thereof may call upon prosecuting attorneys or the attorney general, who shall assist in the commencement and prosecution for penalties and forfeiture, liabilities and punishments for violations of the laws of the state in respect to the assessment and taxation of property.

(2) Prescribe all forms of books and blanks to be used in the assessment and collection of taxes, and change such forms when prescribed by law, and recommend to the legislature such changes as may be deemed most economical to the state and counties, and such recommendation shall be accompanied by carefully prepared bill or bills for this end.

(3) Require county, city and town officers to report information as to assessments of property, equalization of taxes, the expenditure of public funds for all purposes, and other information which said department of revenue may request. [1975 1st ex.s. c 278 § 148; 1961 c 15 § 84.08.020. Prior: 1939 c 206 § 5, part; 1935 c 127 § 1, part; 1921 c 7 §§ 50, 53; 1907 c 220 § 1, part; 1905 c 115 § 2, part; RRS § 11091 (second), part.]

Additional notes found at www.leg.wa.gov

**84.08.030 Additional powers—To test work of assessors—Supplemental assessment lists—Audits.** The department of revenue shall examine and test the work of county assessors at any time, and have and possess all rights and powers of such assessors for the examination of persons, and property, and for the discovery of property subject to taxation, and if it shall ascertain that any taxable property is omitted from the assessment list, or not assessed or valued according to law, it shall bring the same to the attention of the assessor of the proper county in writing, and if such assessor shall neglect or refuse to comply with the request of the department of revenue to place such property on the assessment list, or to correct such incorrect assessment or valuation the department of revenue shall have the power to prepare a supplement to such assessment list, which supplement shall include all property required by the department of revenue to be placed on the assessment list and all corrections required to be made. Such supplement shall be filed with the assessor's assessment list and shall thereafter constitute an integral part thereof to the exclusion of all portions of the original assessment list inconsistent therewith, and shall be submitted therewith to the county board of equalization. As part of the examining and testing of the work of county assessors to be accomplished pursuant to this section, the department of revenue shall audit statewide at least one-half of one percent of all personal property accounts listed each calendar year. [1975-'76 2nd ex.s. c 94 § 1; 1967 ex.s. c 149 § 30; 1961 c 15 § 84.08.030. Prior: 1939 c 206 § 4, part; 1931 c 15 § 1, part; 1927 c 280 § 5, part; 1925 c 18 § 5, part; 1921 c 7 §§ 50, 53; RRS § 11091 (first).]

Additional notes found at www.leg.wa.gov

**84.08.040 Additional powers—To keep valuation records—Access to files of other public offices.** The department of revenue shall secure, tabulate, and keep records of valuations of all classes of property throughout the state, and for that purpose, shall have access to all records and files of state offices and departments and county and municipal offices and shall require all public officers and employees whose duties make it possible to ascertain valuations, including valuations of property of public service corporations for rate making purposes to file reports with the department of revenue, giving such information as to such valuation and the source thereof: PROVIDED, That the nature and kind of the tabulations, records of valuation and requirements from public officers, as stated herein, shall be in such form, and cover such valuations, as the department of revenue shall prescribe. [1975 1st ex.s. c 278 § 149; 1961 c 15 § 84.08.040. Prior: 1939 c 206 § 4, part; 1931 c 15 § 1, part; 1927 c 280 § 5, part; 1925 c 18 § 5, part; 1921 c 7 §§ 50, 53; RRS § 11091 (first), part.]

Additional notes found at www.leg.wa.gov

**84.08.050 Additional powers—Access to books and records—Hearings—Investigation of complaints.** (1) The department of revenue shall:

(a) Require individuals, partnerships, companies, associations and corporations to furnish information as to their capital, funded debts, investments, value of property, earnings, taxes and all other facts called for on these subjects so that the department may determine the taxable value of any property or any other fact it may consider necessary to carry out any duties now or hereafter imposed upon it, or may ascertain the relative burdens borne by all kinds and classes of property within the state, and for these purposes their records, books, accounts, papers and memoranda shall be subject to production and inspection, investigation and examination by the department, or any employee thereof designated by the department for such purpose, and any or all real and/or per-

sonal property in this state shall be subject to visitation, investigation, examination and/or listing at any and all times by the department or by any employee thereof designated by the department.

(b) Summon witnesses to appear and testify on the subject of capital, funded debts, investments, value of property, earnings, taxes, and all other facts called for on these subjects, or upon any matter deemed material to the proper assessment of property, or to the investigation of the system of taxation, or the expenditure of public funds for state, county, district and municipal purposes: PROVIDED, HOWEVER, No person shall be required to testify outside of the county in which the taxpayer's residence, office or principal place of business, as the case may be, is located. Such summons shall be served in like manner as a subpoena issued out of the superior court and be served by the sheriff of the proper county, and such service certified by him or her to the department without compensation therefor. Persons appearing before the department in obedience to a summons shall in the discretion of the department receive the same compensation as witnesses in the superior court.

(c) Thoroughly investigate all complaints which may be made to it of illegal, unjust or excessive taxation, and shall endeavor to ascertain to what extent and in what manner, if at all, the present system is inequal or oppressive.

(2) Any member of the department or any employee thereof designated for that purpose may administer oaths to witnesses.

(3)(a) In case any witness shall fail to obey the summons to appear, or refuse to testify, or shall fail or refuse to comply with any of the provisions of subsection (1)(a) or (b) of this section, such person, for each separate or repeated offense, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not less than fifty dollars, nor more than five thousand dollars.

(b) Any person who shall testify falsely is guilty of perjury and shall be punished under chapter 9A.72 RCW. [2003 c 53 § 407; 1973 c 95 § 8; 1961 c 15 § 84.08.050. Prior: 1939 c 206 § 5, part; 1935 c 127 § 1, part; 1921 c 7 §§ 50, 53; 1907 c 220 § 1, part; 1905 c 115 § 2, part; RRS § 11091 (second), part.]

**Intent—Effective date—2003 c 53:** See notes following RCW 2.48.180.

**84.08.060 Additional powers—Power over county boards of equalization—Reconvening—Limitation on increase in property value in appeals to board of tax appeals from county board of equalization.** The department of revenue shall have power to direct and to order any county board of equalization to raise or lower the valuation of any taxable property, or to add any property to the assessment list, or to perform or complete any other duty required by statute. The department of revenue may require any such board of equalization to reconvene after its adjournment for the purpose of performing any order or requirement made by the department of revenue and may make such orders as it shall determine to be just and necessary. The department may require any county board of equalization to reconvene at any time for the purpose of performing or completing any duty or taking any action it might lawfully have performed or taken at any of its previous meetings. No board may be reconvened later than three years after the date of adjournment of its regularly convened session. If such board of equalization shall fail or refuse forthwith to comply with any such order or requirement of the department of revenue, the department of revenue shall have power to take any other appropriate action, or to make such correction or change in the assessment list, and such corrections and changes shall be a part of the record of the proceedings of the said board of equalization: PROVIDED, That in all cases where the department of revenue shall raise the valuation of any property or add property to the assessment list, it shall give notice either for the same time and in the same manner as is now required in like cases of county boards of equalization, or if it shall deem such method of giving notice impracticable it shall give notice by publication thereof in a newspaper of general circulation within the county in which the property affected is situated once each week for two consecutive weeks, and the department of revenue shall not proceed to raise such valuation or add such property to the assessment list until a period of five days shall have elapsed subsequent to the date of the last publication of such notice: PROVIDED FURTHER, That appeals to the board of tax appeals by any taxpayer or taxing unit concerning any action of the county board of equalization shall not raise the valuation of the property to an amount greater than the larger of either the valuation of the property by the county assessor or the valuation of the property assigned by the county board of equalization. Such notice shall give the legal description of each tract of land involved, or a general description in case of personal property; the tax record-owner thereof; the assessed value thereof determined by the county board of equalization in case the property is on the assessment roll; and the assessed value thereof as determined by the department of revenue and shall state that the department of revenue proposes to increase the assessed valuation of such property to the amount stated and to add such property to the assessment list at the assessed valuation stated. The necessary expense incurred by the department of revenue in making such reassessment and/or adding such property to the assessment list shall be borne by the county or township in which the property as reassessed and/or so added to the assessment list is situated and shall be paid out of the proper funds of such county upon the order of the department of revenue. [1988 c 222 § 9; 1982 1st ex.s. c 46 § 11; 1975 1st ex.s. c 278 § 150; 1961 c 15 § 84.08.060. Prior: 1939 c 206 § 4, part; 1931 c 15 § 1, part; 1927 c 280 § 5, part; 1925 c 18 § 5, part; 1921 c 7 §§ 50, 53; RRS § 11091 (first), part.]

Additional notes found at www.leg.wa.gov

**84.08.070 Rules and regulations authorized.** The department of revenue shall make such rules and regulations as may be necessary to carry out the powers granted by this chapter, and for conducting hearings and other proceedings before it. [1975 1st ex.s. c 278 § 151; 1961 c 15 § 84.08.070. Prior: 1939 c 206 § 4, part; 1931 c 15 § 1, part; 1927 c 280 § 5, part; 1925 c 18 § 5, part; 1921 c 7 §§ 50, 53; RRS § 11091 (first), part. FORMER PART OF SECTION: 1935 c 123 § 18 now codified as RCW 84.12.390.]

Additional notes found at www.leg.wa.gov

**84.08.080 Department to decide questions of interpretation.** The department of revenue shall, with the advice of the attorney general, decide all questions that may arise in reference to the true construction or interpretation of this title, or any part thereof, with reference to the powers and duties of taxing district officers, and such decision shall have force and effect until modified or annulled by the judgment or decree of a court of competent jurisdiction. [1975 1st ex.s. c 278 § 152; 1961 c 15 § 84.08.080. Prior: 1925 ex.s. c 130 § 111; 1897 c 71 § 92; 1895 c 176 § 20; 1893 c 124 § 95; RRS § 11272.]

Additional notes found at www.leg.wa.gov

**84.08.115 Department to prepare explanation of property tax system.** (1) The department shall prepare a clear and succinct explanation of the property tax system, including but not limited to:

(a) The standard of true and fair value as the basis of the property tax.

(b) How the assessed value for particular parcels is determined.

(c) The procedures and timing of the assessment process.

(d) How district levy rates are determined, including the limit under chapter 84.55 RCW.

(e) How the composite tax rate is determined.

(f) How the amount of tax is calculated.

(g) How a taxpayer may appeal an assessment, and what issues are appropriate as a basis of appeal.

(h) A summary of tax exemption and relief programs, along with the eligibility standards and application processes.

(2) Each county assessor shall provide copies of the explanation to taxpayers on request, free of charge. Each revaluation notice shall include information regarding the availability of the explanation. [1997 c 3 § 207 (Referendum Bill No. 47, approved November 4, 1997); 1991 c 218 § 2.]

**Intent—1997 c 3 §§ 201-207:** See note following RCW 84.55.010.

Additional notes found at www.leg.wa.gov

**84.08.120 Duty to obey orders of department of revenue.** It shall be the duty of every public officer to comply with any lawful order, rule, or regulation of the department of revenue made under the provisions of this title, and whenever it shall appear to the department of revenue that any public officer or employee whose duties relate to the assessment or equalization of assessments of property for taxation or to the levy or collection of taxes has failed to comply with the provisions of this title or with any other law relating to such duties or the rules of the department made in pursuance thereof, the department after a hearing on the facts may issue its order directing such public officer or employee to comply with such provisions of law or of its rules, and if such public officer or employee for a period of ten days after service on him or her of the department's order shall neglect or refuse to comply therewith, the department of revenue may apply to a judge of the superior court or court commissioner of the county in which said public officer or employee holds office for an order returnable within five days from the date thereof to compel such public officer or employee to comply with such provisions of law or of the department's order, or to show cause why he or she should not be compelled so to do, and any order issued by the judge pursuant thereto shall be final. The remedy herein provided shall be cumulative and shall not exclude the department of revenue from exercising any power or rights otherwise granted. [2013 c 23 § 342; 1975 1st ex.s. c 278 § 155; 1961 c 15 § 84.08.120. Prior: 1939 c 206 § 7; 1927 c 280 § 12; 1925 c 18 § 12; RRS § 11102.]

Additional notes found at www.leg.wa.gov

**84.08.130 Appeals from county board of equalization to board of tax appeals—Notice.** (1) Any taxpayer or taxing unit feeling aggrieved by the action of any county board of equalization may appeal to the board of tax appeals by filing with the board of tax appeals in accordance with RCW 1.12.070 a notice of appeal within thirty days after the mailing of the decision of such board of equalization, which notice shall specify the actions complained of; and in like manner any county assessor may appeal to the board of tax appeals from any action of any county board of equalization. There shall be no fee charged for the filing of an appeal. The board shall transmit a copy of the notice of appeal to all named parties within thirty days of its receipt by the board. Appeals which are not filed as provided in this section shall be dismissed. The board of tax appeals shall require the board appealed from to file a true and correct copy of its decision in such action and all evidence taken in connection therewith, and may receive further evidence, and shall make such order as in its judgment is just and proper.

(2) The board of tax appeals may enter an order, pursuant to subsection (1) of this section, that has effect up to the end of the assessment cycle used by the assessor, if there has been no intervening change in the value during that time. [1998 c 54 § 3; 1994 c 301 § 18; 1992 c 206 § 10; 1989 c 378 § 7; 1988 c 222 § 8; 1977 ex.s. c 290 § 1; 1975 1st ex.s. c 278 § 156; 1961 c 15 § 84.08.130. Prior: 1939 c 206 § 6; 1927 c 280 § 6; 1925 c 18 § 6; RRS § 11092.]

*Evidence submission in advance of hearing: RCW 82.03.200.*

*Limitation on increase in property value in appeals to board of tax appeals from county board of equalization: RCW 84.08.060.*

Additional notes found at www.leg.wa.gov

**84.08.140 Appeals from levy of taxing district to department of revenue.** Any taxpayer feeling aggrieved by the levy or levies of any taxing district except levies authorized by a vote of the voters of the district may appeal therefrom to the department of revenue as hereinafter provided. Such taxpayer, upon the execution of a bond, with two or more sufficient sureties to be approved by the county auditor, payable to the state of Washington, in the penal sum of two hundred dollars and conditioned that if the petitioner shall fail in his or her appeal for a reduction of said levy or levies the taxpayer will pay the taxable costs of the hearings hereinafter provided, not exceeding the amount of such bond, may file a written complaint with the county auditor wherein such taxing district is located not later than ten days after the making and entering of such levy or levies, setting forth in such form and detail as the department of revenue shall by general rule prescribe, the taxpayer's objections to such levy or levies. Upon the filing of such complaint, the county auditor shall immediately transmit a certified copy thereof, together with a copy of the budget or estimates of such taxing district as finally adopted, including estimated revenues and such other information as the department of revenue shall by rule require, to the department of revenue. The department of rev-

enue shall fix a date for a hearing on said complaint at the earliest convenient time after receipt of said record, which hearing shall be held in the county in which said taxing district is located, and notice of such hearing shall be given to the officials of such taxing district, charged with determining the amount of its levies, and to the taxpayer on said complaint by registered mail at least five days prior to the date of said hearing. At such hearings all interested parties may be heard and the department of revenue shall receive all competent evidence. After such hearing, the department of revenue shall either affirm or decrease the levy or levies complained of, in accordance with the evidence, and shall thereupon certify its action with respect thereto to the county auditor, who, in turn, shall certify it to the taxing district or districts affected, and the action of the department of revenue with respect to such levy or levies shall be final and conclusive. [2013 c 23 § 343; 1994 c 301 § 19; 1975 1st ex.s. c 278 § 157; 1961 c 15 § 84.08.140. Prior: 1927 c 280 § 8; 1925 c 18 § 8; RRS § 11098.]

Additional notes found at www.leg.wa.gov

**84.08.190 Assessors to meet with department of revenue.** For the purpose of instruction on the subject of taxation, the county assessors of the state shall meet with the department of revenue at the capital of the state, or at such place within the state as they may determine at their previous meeting, on the second Monday of October of each year or on such other date as may be fixed by the department of revenue. Each assessor shall be paid by the county of his or her residence his or her actual expenses in attending such meeting, upon presentation to the county auditor of proper vouchers. [2013 c 23 § 344; 1975 1st ex.s. c 278 § 158; 1961 c 15 § 84.08.190. Prior: 1939 c 206 § 16, part; 1925 ex.s. c 130 § 57, part; 1911 c 12 § 1; RRS § 11140, part.]

Additional notes found at www.leg.wa.gov

**84.08.210 Confidentiality and privilege of tax information—Exceptions—Penalty.** (1) For purposes of this section, "tax information" means confidential income data and proprietary business information obtained by the department in the course of carrying out the duties now or hereafter imposed upon it in this title that has been communicated in confidence in connection with the assessment of property and that has not been publicly disseminated by the taxpayer, the disclosure of which would be either highly offensive to a reasonable person and not a legitimate concern to the public or would result in an unfair competitive disadvantage to the taxpayer.

(2) Tax information is confidential and privileged, and except as authorized by this section, neither the department nor any other person may disclose tax information.

(3) Subsection (2) of this section, however, does not prohibit the department from:

(a) Disclosing tax information to any county assessor or county treasurer;

(b) Disclosing tax information in a civil or criminal judicial proceeding or an administrative proceeding in respect to taxes or penalties imposed under this title or Title 82 RCW or in respect to assessment or valuation for tax purposes of the property to which the information or facts relate;

(c) Disclosing tax information with the written permission of the taxpayer;

(d) Disclosing tax information to the proper officer of the tax department of any state responsible for the imposition or collection of property taxes, or for the valuation of property for tax purposes, if the other state grants substantially similar privileges to the proper officers of this state;

(e) Disclosing tax information that is also maintained by another Washington state or local governmental agency as a public record available for inspection and copying under chapter 42.56 RCW or is a document maintained by a court of record not otherwise prohibited from disclosure;

(f) Disclosing tax information to a peace officer as defined in RCW 9A.04.110 or county prosecutor, for official purposes. The disclosure may be made only in response to a search warrant, subpoena, or other court order, unless the disclosure is for the purpose of criminal tax enforcement. A peace officer or county prosecutor who receives the tax information may disclose the tax information only for use in the investigation and a related court proceeding, or in the court proceeding for which the tax information originally was sought; or

(g) Disclosing information otherwise available under chapter 42.56 RCW.

(4) A violation of this section constitutes a gross misdemeanor. [2005 c 274 § 363; 1997 c 239 § 1.]

**84.08.220 Electronic communication of confidential property tax information.** (1) The department may provide electronically any assessment, notice, or other information that is subject to the confidentiality provisions of RCW 84.08.210 or 84.40.340, to any person authorized to receive the information.

(2) The department must use methods reasonably designed to protect information provided electronically as authorized in subsection (1) of this section from unauthorized disclosure. However, the provisions of this subsection (2) may be waived by a taxpayer. The waiver must be in writing and may be provided to the department electronically. A waiver continues until revoked in writing by the taxpayer. Such revocation may be provided to the department electronically in a manner provided or approved by the department. [2017 c 323 § 1001.]

**Tax preference performance statement exemption—Automatic expiration date exemption—2017 c 323:** See note following RCW 82.04.040.

## Chapter 84.09 RCW
## GENERAL PROVISIONS

Sections

**84.09.010 Nomenclature—Taxes designated as taxes of year in which payable.** All annual taxes and assessments of real and personal property shall hereafter be known and designated as taxes and assessments of the year in which such taxes and assessments, or the initial installment thereof, shall become due and payable. [1961 c 15 § 84.09.010. Prior: 1939 c 136 § 2; RRS § 11112-2. Formerly RCW 84.08.150.]

**84.09.020 Abbreviations authorized.** In all proceedings relative to the levy, assessment or collection of taxes, and any entries required to be made by any officer or by the clerk of the court, letters, figures and characters may be used to denote townships, ranges, sections, parts of sections, lots or blocks, or parts thereof, the year or years for which taxes were due, and the amount of taxes, assessments, penalties, interest and costs. Whenever the abbreviation "do." or the character """ or any other similar abbreviations or characters shall be used in any such proceedings, they shall be construed and held as meaning and being the same name, word, initial, letters, abbreviations, figure or figures, as the last one preceding such "do." and """ or other similar characters. [1961 c 15 § 84.09.020. Prior: 1925 ex.s. c 130 § 112, part; 1897 c 71 § 93, part; 1893 c 124 § 97, part; RRS § 11273, part. Formerly RCW 84.08.170.]

**84.09.030 Taxing district boundaries—Establishment.** (1)(a) Except as provided in (b), (c), and (d) of this subsection (1), for the purposes of property taxation and the levy of property taxes, the boundaries of counties, cities, and all other taxing districts shall be the established official boundaries of such districts existing on the first day of August of the year in which the property tax levy is made.

(b) The boundaries for a newly incorporated port district or regional fire protection service authority shall be established on the first day of October if the boundaries of the newly incorporated port district or regional fire protection service authority are coterminous with the boundaries of another taxing district or districts, as they existed on the first day of August of that year.

(c) The boundaries of a school district that is required to receive or annex territory due to the dissolution of a financially insolvent school district under RCW 28A.315.225 must be the established official boundaries of such districts existing on the first day of September of the year in which the property tax levy is made.

(d) The boundaries of a newly established fire protection district authorized under RCW 52.02.160 are the established official boundaries of the district as of the date that the voter-approved proposition required under RCW 52.02.160 is certified.

(2) In any case where any instrument setting forth the official boundaries of any newly established taxing district, or setting forth any change in the boundaries, is required by law to be filed in the office of the county auditor or other county official, the instrument shall be filed in triplicate. The officer with whom the instrument is filed shall transmit two copies of the instrument to the county assessor.

(3) No property tax levy shall be made for any taxing district whose boundaries are not established as of the dates provided in this section. [2017 c 328 § 9; 2012 c 186 § 17; 2008 c 86 § 501; 2007 c 285 § 3; 2004 c 129 § 19; 1996 c 230 § 1613; 1994 c 292 § 4. Prior: 1989 c 378 § 8; 1989 c 217 § 1; prior: 1987 c 358 § 1; 1987 c 82 § 1; 1984 c 203 § 9; 1981 c 26 § 4; 1961 c 15 § 84.09.030; prior: 1951 c 116 § 1; 1949 c 65 § 1; 1943 c 182 § 1; 1939 c 136 § 1; Rem. Supp. 1949 § 11106-1. Formerly RCW 84.08.160.]

**Effective date—2012 c 186:** See note following RCW 28A.315.025.

**Rule-making authority—2012 c 186:** See RCW 28A.315.902.

**Findings—Intent—1994 c 292:** See note following RCW 57.04.050.

Additional notes found at www.leg.wa.gov

**84.09.035 Withdrawal of certain areas of a library district, metropolitan park district, fire protection district, or public hospital district—Date effective.** Notwithstanding the provisions of RCW 84.09.030, the boundaries of a library district, metropolitan park district, fire protection district, or public hospital district that withdraws an area from its boundaries pursuant to RCW 27.12.355, 35.61.360, 52.04.056, or 70.44.235, which area has boundaries that are coterminous with the boundaries of a tax code area, shall be established as of the first day of October in the year in which the area is withdrawn. [1989 c 378 § 9; 1987 c 138 § 5.]

**84.09.037 School district boundary changes.** Each school district affected by a transfer of territory from one school district to another school district under chapter 28A.315 RCW shall retain its preexisting boundaries for the purpose of the collection of excess tax levies authorized under RCW 84.52.053 before the effective date of the transfer, for such tax collection years and for such excess tax levies as the superintendent of public instruction may approve and order that the transferred territory shall either be subject to or relieved of such excess levies, as the case may be. For the purpose of all other excess tax levies previously authorized under chapter 84.52 RCW and all excess tax levies authorized under RCW 84.52.053 subsequent to the effective date of a transfer of territory, the boundaries of the affected school districts shall be modified to recognize the transfer of territory subject to RCW 84.09.030. [2006 c 263 § 615; 1990 c 33 § 597; 1987 c 100 § 3.]

**Findings—Purpose—Part headings not law—2006 c 263:** See notes following RCW 28A.150.230.

**Purpose—Statutory references—Severability—1990 c 33:** See RCW 28A.900.100 through 28A.900.102.

**84.09.040 Penalty for nonperformance of duty by county officers.** Every county auditor, county assessor, and county treasurer who in any case refuses or knowingly neglects to perform any duty enjoined on him or her by this title, or who consents to or connives at any evasion of its provisions whereby any proceeding herein provided for is prevented or hindered, or whereby any property required to be listed for taxation is unlawfully exempted, or the valuation thereof is entered on the tax roll at less than its true taxable value, shall, for every such neglect, refusal, consent, or connivance, forfeit and pay to the state not less than two hundred nor more than one thousand dollars, at the discretion of the court, to be recovered before any court of competent jurisdic-

tion upon the complaint of any citizen who is a taxpayer; and the prosecuting attorney shall prosecute such suit to judgment and execution. [2013 c 23 § 345; 1961 c 15 § 84.09.040. Prior: 1925 ex.s. c 130 § 109; 1897 c 71 § 89; 1893 c 124 § 92; RRS § 11270. Formerly RCW 84.56.410.]

**84.09.050 Fees and costs allowed in civil actions against county officers.** Whenever a civil action is commenced against any person holding the office of county treasurer, county auditor, or any other officer, for performing or attempting to perform any duty authorized or directed by any statute of this state for the collection of the public revenue, such treasurer, auditor or other officer may, in the discretion of the court before whom such action is brought, by an order made by such court and entered in the minutes thereof, be allowed and paid out of the county treasury, reasonable fees of counsel and other expenses for defending such action. [1961 c 15 § 84.09.050. Prior: 1925 ex.s. c 130 § 110; 1897 c 71 § 90; 1893 c 124 § 93; RRS § 11271. Formerly RCW 84.56.420.]

**84.09.060 Property tax advisor.** See RCW 84.48.140.

**84.09.070 Authority of operating agencies to levy taxes.** Nothing in this title may be deemed to grant to any operating agency organized under chapter 43.52 RCW, or a project of any such operating agency, the authority to levy any tax or assessment not otherwise authorized by law. [1983 2nd ex.s. c 3 § 56.]

Additional notes found at www.leg.wa.gov

**84.09.090 Electronic assessment, notice, or other information provided by assessor.** (1) Whenever the assessor is required by the provisions of this title to send any assessment, notice, or any other information to persons by regular mail, the assessor may instead provide the assessment, notice, or other information electronically if the following conditions are met:

(a) The person entitled to receive the information has authorized the assessor, electronically or otherwise, to provide the assessment, notice, or other information electronically; and

(b) If the assessment, notice, or other information is subject to the confidentiality provisions of RCW 82.32.330, 84.08.210, or 84.40.340, the assessor must use methods reasonably designed to protect the information from unauthorized disclosure. The provisions of this subsection (1)(b) may be waived by a taxpayer. The waiver must be in writing and may be provided to the assessor electronically. A waiver continues until revoked in writing by the taxpayer. Such revocation may be provided to the assessor electronically in a manner provided or approved by the assessor.

(2) Electronic notice pursuant to this section will continue until revoked in writing by the taxpayer. Such revocation may be provided to the assessor electronically in a manner provided or approved by the assessor.

(3) Electronic transmittal may be by electronic mail or other electronic means reasonably calculated to apprise the person of the information that is being provided.

(4) Any assessment, notice, or other information provided by the assessor to a person is deemed to have been mailed by the assessor and received by the person on the date that the assessor electronically sends the information to the person or electronically notifies the person that the information is available to be accessed by the person.

(5) This section also applies to information that is not expressly required by statute to be sent by regular mail, but is customarily sent by the assessor using regular mail, to persons entitled to receive the information.

(6) Information compiled or possessed by the assessor for the purposes of providing notice under this title, including but not limited to taxpayer email addresses, waivers, waiver requests, waiver revocations, and passwords or other methods of protecting taxpayer information as required in subsection (1)(b) of this section, are not subject to disclosure under chapter 42.56 RCW. [2013 c 131 § 1.]

## Chapter 84.12 RCW
## ASSESSMENT AND TAXATION OF PUBLIC UTILITIES

Sections



**84.12.200 Definitions.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1)(a) "Airplane company" means and includes any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the conveyance and transportation of persons and/or property by aircraft, and engaged in the business of transporting persons and/or property for compensation, as owner, lessee or otherwise.

(b) "Airplane company" does not include a "commuter air carrier" as defined in RCW 82.48.010, whose ground property and equipment is located primarily on privately held real property.

(2) "Company" means and includes any railroad company, airplane company, electric light and power company, telegraph company, telephone company, gas company, pipe line company, or logging railroad company; and the term "companies" means and includes all of such companies.

(3) "Department" without other designation means the department of revenue of the state of Washington.

(4) "Electric light and power company" means and includes any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the generation, transmission or distribution of electricity in this state, and engaged in the business of furnishing, transmitting, distributing or generating electrical energy for light, heat or power for compensation as owner, lessee or otherwise.

(5) "Gas company" means and includes any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the manufacture, transportation, or distribution of natural or manufactured gas in this state, and engaged for compensation in the business of furnishing gas for light, heat, power or other use, as owner, lessee or otherwise.

(6) "Logging railroad company" means and includes any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the conveyance and transportation of forest products by rail in this state, and engaged in the business of transporting forest products either as private carrier or carrier for hire.

(7) "Nonoperating property" means all physical property owned by any company, other than that used during the preceding calendar year in the conduct of its operations. It includes all lands and/or buildings wholly used by any person other than the owning company. In cases where lands and/or buildings are used partially by the owning company in the conduct of its operations and partially by any other person not assessable under this chapter under lease, sublease, or other form of tenancy, the operating and nonoperating property of the company whose property is assessed under this section must be determined by the department of revenue in such manner as will, in its judgment, secure the separate valuation of such operating and nonoperating property upon a fair and equitable basis. The amount of operating revenue received from tenants or occupants of property of the owning company may not be considered material in determining the classification of such property.

(8) "Operating property" means and includes all property, real and personal, owned by any company, or held by it as occupant, lessee or otherwise, including all franchises and lands, buildings, rights-of-way, water powers, motor vehicles, wagons, horses, aircraft, aerodromes, hangars, office furniture, water mains, gas mains, pipe lines, pumping stations, tanks, tank farms, holders, reservoirs, telephone lines, telegraph lines, transmission and distribution lines, dams, generating plants, poles, wires, cables, conduits, switch boards, devices, appliances, instruments, equipment, machinery, landing slips, docks, roadbeds, tracks, terminals, rolling stock equipment, appurtenances and all other property of a like or different kind, situate within the state of Washington, used by the company in the conduct of its operations; and, in case of personal property used partly within and partly without the state, it means and includes a proportion of such personal property to be determined as in this chapter provided.

(9) "Person" means and includes any individual, firm, copartnership, joint venture, association, corporation, trust, or any other group acting as a unit, whether mutual, cooperative or otherwise, and/or trustees or receivers appointed by any court.

(10) "Pipe line company" means and includes any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the conveyance or transportation of oils, natural or manufactured gas and/or other substances, except water, by pipe line in this state, and engaged in such business for compensation, as owner, lessee or otherwise.

(11) "Railroad company" means and includes any person owning or operating a railroad, street railway, suburban railroad or interurban railroad in this state, whether its line of railroad be maintained at the surface, or above or below the surface of the earth, or by whatever power its vehicles are transported; or owning any station, depot, terminal or bridge for railroad purposes, as owner, lessee or otherwise.

(12) "Telegraph company" means and includes any person owning, controlling, operating or managing any telegraph or cable line in this state, with appliances for the transmission of messages, and engaged in the business of furnishing telegraph service for compensation, as owner, lessee or otherwise.

(13) "Telephone company" means and includes any person owning, controlling, operating or managing real or personal property, used or to be used for or in connection with or to facilitate the transmission of communication by telephone in this state through owned or controlled exchanges and/or switchboards, and engaged in the business of furnishing telephonic communication for compensation as owner, lessee or otherwise. [2013 c 56 § 1; 1998 c 335 § 1; 1994 c 124 § 13; 1987 c 153 § 1; 1975 1st ex.s. c 278 § 159; 1961 c 15 § 84.12.200. Prior: 1935 c 123 § 1; 1925 ex.s. c 130 § 36; 1907 c 131 § 2; 1907 c 78 § 2; RRS § 11156-1. Formerly RCW 84.12.010 and 84.12.020, part.]

**Reviser's note:** The definitions in this section have been alphabetized pursuant to RCW 1.08.015(2)(k).

**Effective date—2013 c 56:** See note following RCW 84.36.133.

Additional notes found at www.leg.wa.gov

**84.12.210 Property used but not owned deemed sole operating property of owning company.** Property used but not owned by an operating company shall, whether such use be exclusive or jointly with others, be deemed the sole operating property of the owning company. [1961 c 15 § 84.12.210. Prior: 1935 c 123 § 1, subdivision (19); RRS § 11156-1(19). Formerly RCW 84.12.020, part.]

**84.12.220 Jurisdiction to determine operating, nonoperating property.** In all matters relating to assessment and taxation the department of revenue shall have jurisdiction to determine what is operating property and what is nonoperating property. [1975 1st ex.s. c 278 § 160; 1961 c 15 § 84.12.220. Prior: 1935 c 123 § 2; RRS § 11156-2. Formerly RCW 84.12.020, part.]

Additional notes found at www.leg.wa.gov

**84.12.230 Annual reports to be filed.** Each company doing business in this state shall annually on or before the 15th day of March, make and file with the department of revenue an annual report, in such manner, upon such form, and giving such information as the department may direct: PRO-

VIDED, That the department, upon written request filed on or before such date and for good cause shown therein, may allow an extension of time for filing not to exceed sixty days. At the time of making such report each company shall also be required to furnish to the department the annual reports of the board of directors, or other officers to the stockholders of the company, duplicate copies of the annual reports made to the interstate commerce commission or its successor agency and to the utilities and transportation commission of this state and duplicate copies of such other reports as the department may direct: PROVIDED, That the duplicate copies of these annual reports shall not be due until such time as they are due to the stockholders or commissioners. [1998 c 311 § 12; 1984 c 132 § 1; 1975 1st ex.s. c 278 § 161; 1961 c 15 § 84.12.230. Prior: 1935 c 123 § 3; 1925 ex.s. c 130 § 39; 1907 c 131 § 5; 1907 c 78 § 5; 1897 c 71 § 40; 1893 c 124 § 40; 1891 c 140 § 27; 1890 p 541 § 27; RRS § 11156-3. Formerly RCW 84.12.030.]

Additional notes found at www.leg.wa.gov

**84.12.240 Access to books and records.** The department of revenue shall have access to all books, papers, documents, statements, and accounts on file or of record in any of the departments of the state; and it shall have the power to issue subpoenas, signed by the director of the department or any duly authorized employee and served in a like manner as a subpoena issued from courts of record, to compel witnesses to appear and give evidence and to produce books and papers. The director of the department or any employee officially designated by the department is authorized to administer oaths to witnesses. The attendance of any witness may be compelled by attachment issued out of any superior court upon application to said court by the director or any duly authorized employee of the department, upon a proper showing that such witness has been duly served with a subpoena and has refused to appear before the said department. In case of the refusal of a witness to produce books, papers, documents, or accounts, or to give evidence on matters material to the hearing, the department may institute proceedings in the proper superior court to compel such witness to testify or to produce such books or papers, and to punish him or her for such failure or refusal. All process issued by the department shall be served by the sheriff of the proper county or by a duly authorized agent of the department and such service, if made by the sheriff, shall be certified by him or her to the department of revenue without any compensation therefor. Persons appearing before the department in obedience to a subpoena shall receive the same compensation as witnesses in the superior court. The records, books, accounts, and papers of each company shall be subject to visitation, investigation, or examination by the department, or any employee thereof officially designated by the department. All real and/or personal property of any company shall be subject to visitation, investigation, examination, and/or listing at any and all times by the department, or any person officially designated by the director. [2013 c 23 § 346; 1975 1st ex.s. c 278 § 162; 1973 c 95 § 9; 1961 c 15 § 84.12.240. Prior: 1935 c 123 § 4; 1925 ex.s. c 130 § 37; 1907 c 131 § 3; 1907 c 78 § 3; RRS § 11156-4. Formerly RCW 84.12.080.]

Additional notes found at www.leg.wa.gov

**84.12.250 Depositions may be taken.** The department of revenue, in any matter material to the valuation, assessment or taxation of the operating property of any company, may cause the deposition of witnesses residing without the state or absent therefrom, to be taken upon notice to the company interested in like manner as the depositions of witnesses are taken in civil actions in the superior court. [1975 1st ex.s. c 278 § 163; 1961 c 15 § 84.12.250. Prior: 1935 c 123 § 5; 1925 ex.s. c 130 § 38; 1907 c 131 § 4; 1907 c 78 § 4; RRS § 11156-5. Formerly RCW 84.12.090.]

Additional notes found at www.leg.wa.gov

**84.12.260 Default valuation by department of revenue—Penalty—Estoppel.** (1) If any company shall fail to materially comply with the provisions of RCW 84.12.230, the department shall add to the value of such company, as a penalty for such failure, five percent for every thirty days or fraction thereof, not to exceed ten percent, that the company fails to comply.

(2) If any company, or any of its officers or agents shall refuse or neglect to make any report required by this chapter, or by the department of revenue, or shall refuse to permit an inspection and examination of its records, books, accounts, papers or property requested by the department of revenue, or shall refuse or neglect to appear before the department of revenue in obedience to a subpoena, the department of revenue shall inform itself to the best of its ability of the matters required to be known, in order to discharge its duties with respect to valuation and assessment of the property of such company, and the department shall add to the value so ascertained twenty-five percent as a penalty for such failure or refusal and such company shall be estopped to question or impeach the assessment of the department in any hearing or proceeding thereafter. Such penalty shall be in lieu of the penalty provided for in subsection (1) of this section.

(3) The department shall waive or cancel the penalty imposed under subsection (1) of this section for good cause shown.

(4) The department shall waive or cancel the penalty imposed under subsection (1) of this section when the circumstances under which the failure to materially comply with the provisions of RCW 84.12.230 do not qualify for waiver or cancellation under subsection (3) of this section if:

(a) The company fully complies with the reporting provisions of RCW 84.12.230 within thirty days of the due date or any extension granted by the department; and

(b) The company has timely complied with the provisions of RCW 84.12.230 for the previous two calendar years. The requirement that a company has timely complied with the provisions of RCW 84.12.230 for the previous two calendar years is waived for any calendar year in which the company was not required to comply with the provisions of RCW 84.12.230. [2007 c 111 § 201; 1984 c 132 § 2; 1975 1st ex.s. c 278 § 164; 1961 c 15 § 84.12.260. Prior: 1935 c 123 § 6; 1925 ex.s. c 130 § 41; 1907 c 131 § 7; 1907 c 78 § 6; 1891 c 140 § 37; 1890 p 544 § 36; RRS § 11156-6. Formerly RCW 84.12.100.]

Additional notes found at www.leg.wa.gov

**84.12.270 Annual assessment—Sources of information.** The department of revenue must annually make an

assessment of the operating property of all companies. Between the fifteenth day of March and the first day of July of each year the department must prepare an initial assessment roll upon which the department must enter and assess the true and fair value of all the operating property of each of such companies as of the first day of January of the year in which the assessment is made. The department must finalize the assessment roll by the twentieth day of August of each year. For the purpose of determining the true and fair value of such property the department of revenue may inspect the property belonging to the companies and may take into consideration any information or knowledge obtained by the department from an examination and inspection of such property, or of the books, records, and accounts of such companies, the statements filed as required by this chapter, the reports, statements, or returns of such companies filed in the office of any board, office, or commission of this state or any county thereof, the earnings and earning power of such companies, the franchises owned or used by such companies, the true and fair valuation of any and all property of such companies, whether operating or nonoperating property, and whether situated within or outside the state, and any other facts, evidence, or information that may be obtainable bearing upon the value of the operating property. However, in no event may any statement or report required from any company by this chapter be conclusive upon the department of revenue in determining the amount, character, and true and fair value of the operating property of such company. [2017 c 323 § 529; 2001 c 187 § 3; 1997 c 3 § 113 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 20; 1975 1st ex.s. c 278 § 165; 1961 c 15 § 84.12.270. Prior: 1939 c 206 § 19; 1935 c 123 § 7; 1925 ex.s. c 130 § 43; 1907 c 131 § 8; 1907 c 78 § 7; 1891 c 140 §§ 28-31; 1890 p 541 §§ 26-33; RRS § 11156-7. Formerly RCW 84.12.040.]

**Tax preference performance statement exemption—Automatic expiration date exemption—2017 c 323:** See note following RCW 82.04.040.

Additional notes found at www.leg.wa.gov

**84.12.280 Classification of real and personal property.** In making the assessment of the operating property of any railroad or logging railroad company and in the apportionment of the values and the taxation thereof, all land occupied and claimed exclusively as the right-of-way for railroads, with all the tracks and substructures and superstructures which support the same, together with all side tracks, second tracks, turn-outs, station houses, depots, round houses, machine shops, or other buildings belonging to the company, used in the operation thereof, without separating the same into land and improvements, shall be assessed as real property. And the rolling stock and other movable property belonging to any railroad or logging railroad company shall be considered as personal property and taxed as such: PROVIDED, That all of the operating property of street railway companies shall be assessed and taxed as personal property.

All of the operating property of airplane companies, telegraph companies, pipe line companies, and all of the operating property other than lands and buildings of electric light and power companies, telephone companies, and gas companies shall be assessed and taxed as personal property. [2001 c 187 § 4; 1998 c 335 § 2; 1997 c 3 § 114 (Referendum Bill No. 47, approved November 4, 1997); 1987 c 153 § 2; 1961 c 15 § 84.12.280. Prior: 1935 c 123 § 8; 1925 ex.s. c 130 § 44; 1907 c 78 § 8; 1891 c 140 §§ 28-31; 1890 p 541 §§ 26-33; RRS § 11156-8. Formerly RCW 84.12.050.]

Additional notes found at www.leg.wa.gov

**84.12.300 Valuation of interstate utility—Apportionment of system value to state.** In determining the value of the operating property within this state of any company, the properties of which lie partly within and partly without this state, the department of revenue may, among other things, take into consideration the value of the whole system as a unit, and for such purpose may determine, insofar as the same is reasonably ascertainable, the salvage value, the actual cost new, the cost of reproduction new less depreciation and plus appreciation, the par value, actual value and market value of the company's outstanding stocks and bonds during one or more preceding years, the past, present and prospective gross and net earnings of the whole system as a unit.

In apportioning such system value to the state, the department of revenue shall consider relative costs, relative reproduction cost, relative future prospects and relative track mileage and the distribution of terminal properties within and without the state and such other matters and things as the department may deem pertinent.

The department may also take into consideration the actual cost, cost of reproduction new, and cost of reproduction new less depreciation, earning capacity and future prospects of the property, located within the state and all other matters and things deemed pertinent by the department of revenue. [1975 1st ex.s. c 278 § 166; 1961 c 15 § 84.12.300. Prior: 1935 c 123 § 9; 1925 ex.s. c 130 § 44; 1907 c 78 § 8; RRS § 11156-9. Formerly RCW 84.12.060.]

Additional notes found at www.leg.wa.gov

**84.12.310 Deduction of nonoperating property.** For the purpose of determining the system value of the operating property of any such company, the department of revenue shall deduct from the true and fair value of the total assets of such company, the actual cash value of all nonoperating property owned by such company. For such purpose the department of revenue may require of the assessors of the various counties within this state a detailed list of such company's properties assessed by them, together with the assessable or assessed value thereof: PROVIDED, That such assessed or assessable value shall be advisory only and not conclusive on the department of revenue as to the value thereof. [2001 c 187 § 5; 1997 c 3 § 115 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 21; 1975 1st ex.s. c 278 § 167; 1961 c 15 § 84.12.310. Prior: 1935 c 123 § 10; RRS § 11156-10. Formerly RCW 84.12.070.]

Additional notes found at www.leg.wa.gov

**84.12.320 Persons bound by notice.** Every person, company or companies operating any property in this state as defined in this chapter shall be the representative of every title and interest in the property as owner, lessee or otherwise, and notice to such person shall be notice to all interests in the property for the purpose of assessment and taxation. The assessment and taxation of the property of the company in the

name of the owner, lessee or operating company shall be deemed and held an assessment and taxation of all the title and interest in such property of every kind and nature. [1961 c 15 § 84.12.320. Prior: 1935 c 123 § 11; RRS § 11156-11. Formerly RCW 84.12.120.]

**84.12.330 Assessment roll—Notice of valuation.** Upon the assessment roll must be placed after the name of each company a general description of the operating property of the company, which is considered sufficient if described in the language of RCW 84.12.200(8), as applied to the company, following which must be entered the true and fair value of the operating property as determined by the department of revenue. No assessment may be invalidated by reason of a mistake in the name of the company assessed, or the omission of the name of the owner or by the entry as owner of a name other than that of the true owner. When the department of revenue has prepared the assessment roll and entered thereon the true and fair value of the operating property of the company, as herein required, the department must notify the company by mail of the valuation determined by it and entered upon the roll. [2017 c 323 § 530; 2001 c 187 § 6; 1998 c 335 § 3; 1997 c 3 § 116 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 22; 1975 1st ex.s. c 278 § 168; 1961 c 15 § 84.12.330. Prior: 1935 c 123 § 12; 1925 ex.s. c 130 § 44; 1907 c 78 § 8; 1891 c 140 § 35; 1890 p 543 § 35; RRS § 11156-12. Formerly RCW 84.12.110.]

**Tax preference performance statement exemption—Automatic expiration date exemption—2017 c 323:** See note following RCW 82.04.040.

Additional notes found at www.leg.wa.gov

**84.12.340 Hearings on assessment, time and place of.** Following the making of an assessment, every company may present a motion for a hearing on the assessment with the department of revenue within the first ten working days of July. The hearing on this motion shall be held within ten working days following the hearing request period. During this hearing, the company may present evidence relating to the value of its operating property and to the value of other taxable property in the counties in which its operating property is situate. Upon request in writing for such hearing, the department shall appoint a time and place therefor, within the period aforesaid, the hearing to be conducted in such manner as the department shall direct. Hearings provided for in this section may be held at such times and in such places throughout the state as the department may deem proper or necessary, may be adjourned from time to time and from place to place and may be conducted by the department of revenue or by such member or members thereof as may be duly delegated to act for it. Testimony taken at this hearing shall be recorded. [1994 c 124 § 14; 1975 1st ex.s. c 278 § 169; 1961 c 15 § 84.12.340. Prior: 1953 c 162 § 1; 1939 c 206 § 20; 1935 c 123 § 13; RRS § 11156-13. Formerly RCW 84.12.130.]

Additional notes found at www.leg.wa.gov

**84.12.350 Apportionment of value by department of revenue.** Upon determination by the department of revenue of the true and fair value of the property appearing on such rolls it shall apportion such value to the respective counties entitled thereto, as hereinafter provided, and shall determine the equalized assessed valuation of such property in each such county and in the several taxing districts therein, by applying to such actual apportioned value the same ratio as the ratio of assessed to actual value of the general property in such county: PROVIDED, That, whenever the amount of the true and fair value of the operating property of any company otherwise apportionable to any county or other taxing district shall be less than two hundred fifty dollars, such amount need not be apportioned to such county or taxing district but may be added to the amount apportioned to an adjacent county or taxing district. [2001 c 187 § 7; 1997 c 3 § 117 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 23; 1967 ex.s. c 26 § 17; 1961 c 15 § 84.12.350. Prior: 1939 c 206 § 21; 1935 c 123 § 14; RRS § 11156-14. Formerly RCW 84.12.140.]

Additional notes found at www.leg.wa.gov

**84.12.360 Basis of apportionment.** The true and fair value of the operating property assessed to a company, as fixed and determined by the department of revenue, shall be apportioned by the department of revenue to the respective counties and to the taxing districts thereof wherein such property is located in the following manner:

(1) Property of all railroad companies other than street railroad companies, telegraph companies and pipe line companies—upon the basis of that proportion of the value of the total operating property within the state which the mileage of track, as classified by the department of revenue (in case of railroads), mileage of wire (in the case of telegraph companies), and mileage of pipe line (in the case of pipe line companies) within each county or taxing district bears to the total mileage thereof within the state, at the end of the calendar year last past. For the purpose of such apportionment the department may classify railroad track.

(2) Property of street railroad companies, telephone companies, electric light and power companies, and gas companies—upon the basis of relative value of the operating property within each county and taxing district to the value of the total operating property within the state to be determined by such factors as the department of revenue shall deem proper.

(3) Planes or other aircraft of airplane companies—upon the basis of such factor or factors of allocation, to be determined by the department of revenue, as will secure a substantially fair and equitable division between counties and other taxing districts.

All other property of airplane companies—upon the basis set forth in subsection (2) of this section.

The basis of apportionment with reference to all public utility companies above prescribed shall not be deemed exclusive and the department of revenue in apportioning values of such companies may also take into consideration such other information, facts, circumstances, or allocation factors as will enable it to make a substantially just and correct valuation of the operating property of such companies within the state and within each county thereof. [2001 c 187 § 8; 1998 c 335 § 4; 1997 c 3 § 118 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 24; 1987 c 153 § 3; 1975 1st ex.s. c 278 § 170; 1961 c 15 § 84.12.360. Prior: 1955 c 120 § 1; 1935 c 123 § 15; 1925 ex.s. c 130 § 47; 1917 c 25 §

1; 1907 c 78 § 11; 1891 c 140 § 33; 1890 p 541 § 30; RRS § 11156-15. Formerly RCW 84.12.150.]

Additional notes found at www.leg.wa.gov

**84.12.370 Certification to county assessor—Entry upon tax rolls.** When the department of revenue shall have determined the equalized assessed value of the operating property of each company in each of the respective counties and in the taxing districts thereof, as hereinabove provided, the department of revenue shall certify such equalized assessed value to the county assessor of the proper county. The county assessor shall enter the company's real operating property upon the real property tax rolls and the company's personal operating property upon the personal property tax rolls of the county, together with the values so apportioned, and the same shall be and constitute the assessed valuation of the operating property of the company in such county and the taxing districts therein for that year, upon which taxes shall be levied and collected in the same manner as on the general property of such county. [1994 c 301 § 25; 1975 1st ex.s. c 278 § 171; 1961 c 15 § 84.12.370. Prior: 1935 c 123 § 16; RRS § 11156-16. Formerly RCW 84.12.160.]

Additional notes found at www.leg.wa.gov

**84.12.380 Assessment of nonoperating property.** All property of any company not assessed as operating property under the provisions of this chapter shall be assessed by the assessor of the county wherein the same may be located or situate the same as the general property of the county. [1961 c 15 § 84.12.380. Prior: 1935 c 123 § 17; 1891 c 140 § 34; 1890 p 542 § 33; RRS § 11156-17. Formerly RCW 84.12.180.]

**84.12.390 Rules and regulations.** The department of revenue shall have the power to make such rules and regulations, not inconsistent herewith, as may be convenient and necessary to enforce and carry out the provisions of this chapter. [1975 1st ex.s. c 278 § 172; 1961 c 15 § 84.12.390. Prior: 1935 c 123 § 18; RRS § 11156-18. Formerly RCW 84.08.070, part.]

Additional notes found at www.leg.wa.gov

## Chapter 84.14 RCW

## NEW AND REHABILITATED MULTIPLE-UNIT DWELLINGS IN URBAN CENTERS

Sections



*New and rehabilitated multiple-unit dwellings in urban centers: RCW 84.14.020.*

**84.14.005 Findings—Intent.** (1) The legislature finds:

(a) That in many of Washington's urban centers there is insufficient availability of desirable and convenient residential units, including affordable housing units, to meet the needs of a growing number of the public who would live in these urban centers if these desirable, convenient, attractive, affordable, and livable places to live were available;

(b) That the development of additional and desirable residential units, including affordable housing units, in these urban centers that will attract and maintain a significant increase in the number of permanent residents in these areas will help to alleviate the detrimental conditions and social liability that tend to exist in the absence of a viable mixed income residential population and will help to achieve the planning goals mandated by the growth management act under RCW 36.70A.020; and

(c) That planning solutions to solve the problems of urban sprawl often lack incentive and implementation techniques needed to encourage residential redevelopment in those urban centers lacking a sufficient variety of residential opportunities, and it is in the public interest and will benefit, provide, and promote the public health, safety, and welfare to stimulate new or enhanced residential opportunities, including affordable housing opportunities, within urban centers through a tax incentive as provided by this chapter.

(2) Therefore, the legislature intends to achieve multiple goals by incentivizing the development of multiple-unit housing including creating additional affordable housing, encouraging urban development and density, increasing market rate workforce housing, developing permanently affordable housing opportunities, promoting economic investment and recovery, and creating family-wage jobs. [2021 c 187 § 1; 2007 c 430 § 1; 1995 c 375 § 1.]

**84.14.007 Purpose.** It is the purpose of this chapter to encourage increased residential opportunities, including affordable housing opportunities, in cities that are required to plan or choose to plan under the growth management act within urban centers where the governing authority of the affected city has found there is insufficient housing opportunities, including affordable housing opportunities. It is further the purpose of this chapter to stimulate the construction of new multifamily housing and the rehabilitation of existing vacant and underutilized buildings for multifamily housing in urban centers having insufficient housing opportunities that will increase and improve residential opportunities, including affordable housing opportunities, within these urban centers. To achieve these purposes, this chapter provides for special valuations in residentially deficient urban centers for eligible improvements associated with multiunit housing, which includes affordable housing. It is an additional purpose of this chapter to allow unincorporated areas of rural counties that are within urban growth areas to stimulate housing opportunities and for certain counties to stimulate housing opportunities near college campuses to promote dense, transit-oriented,

walkable college communities. [2014 c 96 § 2; 2012 c 194 § 1; 2007 c 430 § 2; 1995 c 375 § 2.]

**84.14.010 Definitions.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Affordable housing" means residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income. For the purposes of housing intended for owner occupancy, "affordable housing" means residential housing that is within the means of low or moderate-income households.

(2) "Campus facilities master plan" means the area that is defined by the University of Washington as necessary for the future growth and development of its campus facilities for campuses authorized under RCW 28B.45.020.

(3) "City" means either (a) a city or town with a population of at least fifteen thousand, (b) the largest city or town, if there is no city or town with a population of at least fifteen thousand, located in a county planning under the growth management act, (c) a city or town with a population of at least five thousand located in a county subject to the provisions of RCW 36.70A.215, or (d) any city that otherwise does not meet the qualifications under (a) through (c) of this subsection, until December 31, 2031, that complies with RCW 84.14.020(1)(a)(iii) or 84.14.021(1)(b).

(4) "County" means a county with an unincorporated population of at least 170,000.

(5) "Governing authority" means the local legislative authority of a city or a county having jurisdiction over the property for which an exemption may be applied for under this chapter.

(6) "Growth management act" means chapter 36.70A RCW.

(7) "Household" means a single person, family, or unrelated persons living together.

(8) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below eighty percent of the median family income adjusted for family size, for the county, city, or metropolitan statistical area, where the project is located, as reported by the United States department of housing and urban development.

(9) "Moderate-income household" means a single person, family, or unrelated persons living together whose adjusted income is more than eighty percent but is at or below one hundred fifteen percent of the median family income adjusted for family size, for the county, city, or metropolitan statistical area, where the project is located, as reported by the United States department of housing and urban development.

(10) "Multiple-unit housing" means a building or a group of buildings having four or more dwelling units not designed or used as transient accommodations and not including hotels and motels. Multifamily units may result from new construction or rehabilitated or conversion of vacant, underutilized, or substandard buildings to multifamily housing.

(11) "Owner" means the property owner of record.

(12) "Permanent residential occupancy" means multiunit housing that provides either rental or owner occupancy on a nontransient basis. This includes owner-occupied or rental accommodation that is leased for a period of at least one month. This excludes hotels and motels that predominately offer rental accommodation on a daily or weekly basis.

(13) "Rehabilitation improvements" means modifications to existing structures, that are vacant for twelve months or longer, that are made to achieve a condition of substantial compliance with existing building codes or modification to existing occupied structures which increase the number of multifamily housing units.

(14) "Residential targeted area" means an area within an urban center or urban growth area that has been designated by the governing authority as a residential targeted area in accordance with this chapter. With respect to designations after July 1, 2007, "residential targeted area" may not include a campus facilities master plan.

(15) "Rural county" means a county with a population between fifty thousand and seventy-one thousand and bordering Puget Sound.

(16) "Substantial compliance" means compliance with local building or housing code requirements that are typically required for rehabilitation as opposed to new construction.

(17) "Urban center" means a compact identifiable district where urban residents may obtain a variety of products and services. An urban center must contain:

(a) Several existing or previous, or both, business establishments that may include but are not limited to shops, offices, banks, restaurants, governmental agencies;

(b) Adequate public facilities including streets, sidewalks, lighting, transit, domestic water, and sanitary sewer systems; and

(c) A mixture of uses and activities that may include housing, recreation, and cultural activities in association with either commercial or office, or both, use. [2021 c 187 § 2; 2017 c 52 § 16; 2014 c 96 § 3. Prior: 2012 c 194 § 2; prior: 2007 c 430 § 3; 2007 c 185 § 1; 2002 c 146 § 1; 2000 c 242 § 1; 1997 c 429 § 40; 1995 c 375 § 3.]

Additional notes found at www.leg.wa.gov

**84.14.020 Exemption—Duration—Valuation—Relocation assistance.** (1)(a) The value of new housing construction, conversion, and rehabilitation improvements qualifying under this chapter is exempt from ad valorem property taxation, as follows:

(i) For properties for which applications for certificates of tax exemption eligibility are submitted under this chapter before July 22, 2007, the value is exempt for ten successive years beginning January 1 of the year immediately following the calendar year of issuance of the certificate;

(ii) For properties for which applications for certificates of tax exemption eligibility are submitted under this chapter on or after July 22, 2007, the value is exempt:

(A) For eight successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate;

(B) For twelve successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate, if the property otherwise qualifies for the exemption under this chapter and meets the conditions in this subsection (1)(a)(ii)(B). For the property to qualify for the twelve-year exemption under this subsection, the applicant must commit to renting or selling at least twenty percent of

the multifamily housing units as affordable housing units to low and moderate-income households, and the property must satisfy that commitment and any additional affordability and income eligibility conditions adopted by the local government under this chapter. In the case of projects intended exclusively for owner occupancy, the minimum requirement of this subsection (1)(a)(ii)(B) may be satisfied solely through housing affordable to moderate-income households; or

(C) For 20 successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate, if the property otherwise qualifies for the exemption under this chapter and meets the conditions in this subsection (1)(a)(ii)(C). For the property to qualify for the 20-year exemption under this subsection, the project must be located within one mile of high capacity transit of at least 15 minute scheduled frequency, in a city that has implemented, as of July 25, 2021, a mandatory inclusionary zoning requirement for affordable housing that ensures affordability of housing units for a period of at least 99 years and that has a population of no more than 65,000 as measured on July 25, 2021. To qualify for the exemption provided in this subsection (1)(a)(ii)(C), the applicant must commit to renting at least 20 percent of the dwelling units as affordable to low-income households for a term of at least 99 years, and the property must satisfy that commitment and all required affordability and income eligibility conditions adopted by the local government under this chapter. A city must require the applicant to record a covenant or deed restriction that ensures the continuing rental of units subject to these affordability requirements consistent with the conditions in this subsection (1)(a)(ii)(C) for a period of no less than 99 years. The covenant or deed restriction must also address criteria and policies to maintain public benefit if the property is converted to a use other than which continues to provide for permanently affordable low-income housing consistent with this subsection (1)(a)(ii)(C); and

(iii) Until December 31, 2026, for a city as defined in RCW 84.14.010(3)(d), for 12 successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate, if the property otherwise qualifies for the exemption under this chapter and meets the conditions in this subsection (1)(a)(iii). For the property to qualify for the 12-year exemption under this subsection, the applicant must commit to renting or selling at least 20 percent of the multifamily housing units as affordable housing units to low and moderate-income households, the property must satisfy that commitment and any additional affordability and income eligibility conditions adopted by the local government under this chapter, and the area must be zoned to have an average minimum density equivalent to 15 dwelling units or more per gross acre, or for cities with a population over 20,000, the area must be zoned to have an average minimum density equivalent to 25 dwelling units or more per gross acre. In the case of projects intended exclusively for owner occupancy, the minimum requirement of this subsection (1)(a)(iii) may be satisfied solely through housing affordable to low-income or moderate-income households.

(b) The exemptions provided in (a)(i) through (iii) of this subsection do not include the value of land or nonhousing-related improvements not qualifying under this chapter.

(c) For properties receiving an exemption as provided in (a)(ii)(B) of this subsection that are in compliance with existing contracts and where the certificate of tax exemption is set to expire after June 11, 2020, but before December 31, 2021, the exemption is extended until December 31, 2021, provided that the property must satisfy any eligibility criteria or limitations provided in this chapter as a condition to the existing exemption for a given property continue to be met. For all properties eligible to receive an extension pursuant to this subsection (1)(c), the city or county that issued the initial certificate of tax exemption, as required in RCW 84.14.090, must notify the county assessor and the applicant of the extension of the certificate of tax exemption.

(2) When a local government adopts guidelines pursuant to RCW 84.14.030(2) and includes conditions that must be satisfied with respect to individual dwelling units, rather than with respect to the multiple-unit housing as a whole or some minimum portion thereof, the exemption may, at the local government's discretion, be limited to the value of the qualifying improvements allocable to those dwelling units that meet the local guidelines.

(3) In the case of rehabilitation of existing buildings, the exemption does not include the value of improvements constructed prior to the submission of the application required under this chapter. The incentive provided by this chapter is in addition to any other incentives, tax credits, grants, or other incentives provided by law.

(4) This chapter does not apply to increases in assessed valuation made by the assessor on nonqualifying portions of building and value of land nor to increases made by lawful order of a county board of equalization, the department of revenue, or a county, to a class of property throughout the county or specific area of the county to achieve the uniformity of assessment or appraisal required by law.

(5) At the conclusion of the exemption period, the value of the new housing construction, conversion, or rehabilitation improvements must be considered as new construction for the purposes of chapters 84.55 and 36.21 RCW as though the property was not exempt under this chapter.

(6) For properties that qualified for, satisfied the conditions of, and utilized the exemption under subsection (1)(a)(ii)(A) or (B) of this section, following the initial exemption period or the extension period authorized in subsection (1)(c) of this section, the exemption period may be extended for an additional 12 years for projects that are within 18 months of expiration contingent on city or county approval. For the property to qualify for an extension under this subsection (6), the applicant must meet at a minimum the locally adopted requirements for the property to qualify for an exemption under subsection (1)(a)(ii)(B) of this section as applicable at the time of the extension application, and the applicant commits to renting or selling at least 20 percent of the multifamily housing units as affordable housing units for low-income households.

(7) At the end of both the tenth and eleventh years of an extension, for twelve-year extensions of the exemption, applicants must provide tenants of rent-restricted units with notification of intent to provide the tenant with rental relocation assistance as provided in subsection (8) of this section.

(8)(a) Except as provided in (b) of this subsection, for any 12-year exemption authorized under subsection

(1)(a)(ii)(B) or (iii) of this section after July 25, 2021, or for any 12-year exemption extension authorized under subsection (6) of this section, at the expiration of the exemption the applicant must provide tenant relocation assistance in an amount equal to one month's rent to a qualified tenant within the final month of the qualified tenant's lease. To be eligible for tenant relocation assistance under this subsection, the tenant must occupy an income-restricted unit at the time the exemption expires and must qualify as a low-income household under this chapter at the time relocation assistance is sought.

(b) If affordability requirements consistent, at a minimum, with those required under subsection (1)(a)(ii)(B) or (iii) of this section remain in place for the unit after the expiration of the exemption, relocation assistance in an amount equal to one month's rent must be provided to a qualified tenant within the final month of a qualified tenant's lease who occupies an income-restricted unit at the time those additional affordability requirements cease to apply to the unit.

(9) No new exemptions may be provided under this section beginning on or after January 1, 2032. No extensions may be granted under subsection (6) of this section on or after January 1, 2046. [2021 c 187 § 3; 2020 c 237 § 2; 2007 c 430 § 4; 2002 c 146 § 2; 1999 c 132 § 1; 1995 c 375 § 5.]

**Tax preference performance statement—2021 c 187 § 3:** "(1) This section is the tax preference performance statement for the tax preferences contained in section 3, chapter 187, Laws of 2021. This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as ones intended to induce certain designated behavior by taxpayers, as indicated in RCW 82.32.808(2)(a).

(3) It is the legislature's specific public policy objective to:

(a) Incentivize developers to construct or rehabilitate multifamily housing;

(b) Incentivize local governments and multifamily housing owners to maintain or expand existing income-restricted unit stock that have been incentivized through the tax exemption provided under chapter 84.14 RCW via new authority to renew the property tax abatement in exchange for continued or additional affordability; and

(c) Further encourage multifamily construction in cities and certain unincorporated urban growth areas by expanding access to the multifamily tax exemption program to a broader set of jurisdictions.

(4) It is the legislature's intent to provide the value of new housing construction, conversion, and rehabilitation improvements qualifying under chapter 84.14 RCW an exemption from ad valorem property taxation for eight to 12 years or more, as provided for in RCW 84.14.020, in order to provide incentives to developers to construct or rehabilitate multifamily housing thereby increasing the number of affordable housing units, or preserving the state's stock of income-restricted units, for low-income to moderate-income residents in certain urban growth areas.

(5) The legislature intends to extend the expiration date of the tax preferences in section 3, chapter 187, Laws of 2021, if a review finds that:

(a) Projects receiving an initial eight-year or 12-year exemption regularly enter into subsequent 12-year extensions in exchange for continued or increased income restrictions on affordable units; and

(b) At least 20 percent of the new housing is developed and occupied by households earning:

(i) At or below 80 percent of the area median income, at the time of occupancy, adjusted for family size for the county in which the project is located; or

(ii) Where the housing is intended exclusively for owner occupancy, up to 115 percent of the area median income, at the time of sale, adjusted for family size for the county in which the project is located.

(6) In order to obtain the data necessary to perform the review in subsection (4) [(5)] of this section, the joint legislative audit and review committee must refer to the annual reports compiled by the department of commerce under RCW 84.14.100 and may refer to data provided by counties or cities in which persons are utilizing the preferences, the office of financial management, the department of commerce, the United States department of housing and urban development, and any other data sources, as needed by the joint legislative audit and review committee." [2021 c 187 § 6.]

**Tax preference performance statement—2020 c 237 § 2:** "(1) This section is the tax preference performance statement for the tax preferences contained in section 2, chapter 237, Laws of 2020. This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as ones intended to induce certain designated behavior by taxpayers, as indicated in RCW 82.32.808(2)(a).

(3) It is the legislature's specific public policy objective to incentivize local governments and multifamily housing owners to maintain or expand existing income-restricted unit stock that have been incentivized through the tax exemption provided under chapter 84.14 RCW.

(4) It is the legislature's intent to provide the value of new housing construction, conversion, and rehabilitation improvements qualifying under chapter 84.14 RCW an exemption from ad valorem property taxation for eight to twelve years or more, as provided for in RCW 84.14.020, in order to provide incentives to developers to construct or rehabilitate multifamily housing thereby increasing the number of affordable housing units, or preserving the state's stock of income-restricted units, for low-income to moderate-income residents in certain urban growth areas.

(5) The legislature intends to extend the tax preferences in section 2, chapter 237, Laws of 2020, if a review finds that the stock of income-restricted units in the state is preserved as a result of the extensions provided in RCW 84.14.020(1)(c).

(6) In order to obtain the data necessary to perform the review in subsection (5) of this section, the joint legislative audit and review committee must refer to the annual reports compiled by the department of commerce under RCW 84.14.100 and may refer to data provided by counties or cities in which persons are utilizing the preferences, the office of financial management, the department of commerce, the United States department of housing and urban development, and any other data sources, as needed by the joint legislative audit and review committee." [2020 c 237 § 1.]

**84.14.021 Exemption—Duration—Valuation—New construction.** (1)(a) The value of new housing construction, conversion, and rehabilitation improvements qualifying under this chapter is exempt from ad valorem property taxation, as follows: For 20 successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate, if the property otherwise qualifies for the exemption under this chapter and meets the conditions in this section. For the property to qualify for the 20-year exemption under this section, at least 25 percent of the units must be built by or sold to a qualified nonprofit or local government that will assure permanent affordable homeownership. The remaining 75 percent of units may be rented or sold at market rates.

(b) Until December 31, 2031, for a city as defined in RCW 84.14.010(3)(d), in any city the value of new housing construction, conversion, and rehabilitation improvements qualifying under this chapter is exempt from ad valorem property taxation, as follows: For 20 successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate, if the property otherwise qualifies for the exemption under this chapter and meets the conditions in this section. For the property to qualify for the 20-year exemption under this section, at least 25 percent of the units must be sold to a qualified nonprofit or local government partner that will assure permanent affordable homeownership. The remaining 75 percent of units may be rented or sold at market rates. The area must be zoned to have an average minimum density equivalent to 15 dwelling units or more per gross acre, or for cities with a population over 20,000, the area must be zoned to have an average minimum

density equivalent to 25 dwelling units or more per gross acre.

(2) Permanently affordable homeownership units or permanently affordable rental units must be sold or rented to households earning no more than 80 percent of the average median income for the city or local jurisdiction in which the unit is located.

(3) A local jurisdiction may assign and collect an administration fee at each point of sale to cover the administrative costs for oversight of the program to maintain permanently affordable housing units consistent with this section.

(4) The exemptions in this section do not include the value of land or nonhousing-related improvements not qualifying under this chapter.

(5) At the conclusion of the exemption period, the value of the new housing construction, conversion, or rehabilitation improvements must be considered as new construction for the purposes of chapters 84.55 and 36.21 RCW as though the property was not exempt under this chapter.

(6) For purposes of this section, "permanently affordable homeownership" means homeownership that, in addition to meeting the definition of "affordable housing" in RCW 43.185A.010, is:

(a) Sponsored by a nonprofit organization or governmental entity;

(b) Subject to a ground lease or deed restriction that includes:

(i) A resale restriction designed to provide affordability for future low and moderate-income homebuyers;

(ii) A right of first refusal for the sponsor organization to purchase the home at resale; and

(iii) A requirement that the sponsor must approve any refinancing, including home equity lines of credit; and

(c) Sponsored by a nonprofit organization or governmental entity and the sponsor organization:

(i) Executes a new ground lease or deed restriction with a duration of at least 99 years at the initial sale and with each successive sale; and

(ii) Supports homeowners and enforces the ground lease or deed restriction.

(7) The department of commerce must develop a template for permanent affordability for home or condo ownership through deed restrictions that can be used by a city or local government to ensure compliance with this section.

(8) No new exemptions may be provided under this section beginning on or after January 1, 2032. [2021 c 187 § 7.]

**Tax preference performance statement—2021 c 187 § 7:** "(1) This section is the tax preference performance statement for the tax preference contained in section 7, chapter 187, Laws of 2021. This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as ones intended to induce certain designated behavior by taxpayers, as indicated in RCW 82.32.808(2)(a).

(3) It is the legislature's specific public policy objective to incentivize developers to construct or rehabilitate permanently affordable homeownership units.

(4) It is the legislature's intent to provide the value of new housing construction, conversion, and rehabilitation improvements qualifying under chapter 84.14 RCW an exemption from ad valorem property taxation for 20 years, as provided for in section 7 of this act, in order to provide incentives to developers to construct or rehabilitate multifamily housing thereby increasing the number of permanently affordable homeownership units.

(5) The legislature intends to extend the expiration date of the tax preferences in section 7, chapter 187, Laws of 2021, if a review finds that:

(a) The number of local governments utilizing the permanently affordable homeownership tax exemption program authorized in section 7 of this act increases over time;

(b) The number of permanently affordable homeownership units increases; and

(c) The income level of those households benefiting from the permanently affordable homeownership units is consistent with the requirements of section 7 of this act.

(6) In order to obtain the data necessary to perform the review in subsection (5) of this section, the joint legislative audit and review committee must refer to the annual reports compiled by the department of commerce under RCW 84.14.100 and may refer to data provided by counties or cities in which persons are utilizing the preferences, the office of financial management, the department of commerce, the United States department of housing and urban development, and any other data sources, as needed by the joint legislative audit and review committee." [2021 c 187 § 8.]

**84.14.030 Application—Requirements.** An owner of property making application under this chapter must meet the following requirements:

(1) The new or rehabilitated multiple-unit housing must be located in a residential targeted area as designated by the city or county;

(2) The multiple-unit housing must meet guidelines as adopted by the governing authority that may include height, density, public benefit features, number and size of proposed development, parking, income limits for occupancy, limits on rents or sale prices, and other adopted requirements indicated necessary by the city or county. The required amenities should be relative to the size of the project and tax benefit to be obtained;

(3) The new, converted, or rehabilitated multiple-unit housing must provide for a minimum of fifty percent of the space for permanent residential occupancy. In the case of existing occupied multifamily development, the multifamily housing must also provide for a minimum of four additional multifamily units. Existing multifamily vacant housing that has been vacant for twelve months or more does not have to provide additional multifamily units;

(4) New construction multifamily housing and rehabilitation improvements must be completed within three years from the date of approval of the application, plus any extension authorized under RCW 84.14.090(5);

(5) Property proposed to be rehabilitated must fail to comply with one or more standards of the applicable state or local building or housing codes on or after July 23, 1995. If the property proposed to be rehabilitated is not vacant, an applicant must provide each existing tenant housing of comparable size, quality, and price and a reasonable opportunity to relocate; and

(6) The applicant must enter into a contract with the city or county approved by the governing authority, or an administrative official or commission authorized by the governing authority, under which the applicant has agreed to the implementation of the development on terms and conditions satisfactory to the governing authority. [2021 c 187 § 9; 2012 c 194 § 3; 2007 c 430 § 5; 2005 c 80 § 1; 1997 c 429 § 42; 1995 c 375 § 6.]

Additional notes found at www.leg.wa.gov

**84.14.040 Designation of residential targeted area—Criteria—Local designation—Hearing—Standards,**

**guidelines.** (1) The following criteria must be met before an area may be designated as a residential targeted area:

(a) The area must be within an urban center, as determined by the governing authority;

(b) The area must lack, as determined by the governing authority, sufficient available, desirable, and convenient residential housing, including affordable housing, to meet the needs of the public who would be likely to live in the urban center, if the affordable, desirable, attractive, and livable places to live were available;

(c) The providing of additional housing opportunity, including affordable housing, in the area, as determined by the governing authority, will assist in achieving one or more of the stated purposes of this chapter;

(d) If the residential targeted area is designated by a county, the area must be located in an unincorporated area of the county that is within an urban growth area under RCW 36.70A.110 and the area must be: (i) In a rural county, served by a sewer system and designated by a county prior to January 1, 2013; or (ii) in a county that includes a campus of an institution of higher education, as defined in RCW 28B.92.030, where at least one thousand two hundred students live on campus during the academic year; and (iii) until July 15, 2024, in a county seeking to promote transit supportive densities and efficient land use in an area that is located within a designated urban growth area and within .25 miles of a corridor where bus service is scheduled at least every thirty minutes for no less than 10 hours per weekday and is in service or is planned for service to begin within five years of designation; and

(e) For a residential targeted area designated by a county after July 25, 2021, the county governing authority must conduct an evaluation of the risk of potential displacement of residents currently living in the area if the tax incentives authorized in this chapter were to be used in the area. The county may use an existing analysis if one exists. An area may not be designated as a residential targeted area unless: (i) The evaluation finds that the risk of displacement is minimal; or (ii) the governing authority mitigates the risk of displacement with locally adopted mitigation measures such as, but not limited to, ensuring that those directly or indirectly displaced have a first right of refusal to occupy the newly created dwelling units receiving an exemption under this chapter, including the affordable units if they otherwise meet the qualifications.

(2) For the purpose of designating a residential targeted area or areas, the governing authority may adopt a resolution of intention to so designate an area as generally described in the resolution. The resolution must state the time and place of a hearing to be held by the governing authority to consider the designation of the area and may include such other information pertaining to the designation of the area as the governing authority determines to be appropriate to apprise the public of the action intended.

(3) The governing authority must give notice of a hearing held under this chapter by publication of the notice once each week for two consecutive weeks, not less than seven days, nor more than thirty days before the date of the hearing in a paper having a general circulation in the city or county where the proposed residential targeted area is located. The notice must state the time, date, place, and purpose of the hearing and generally identify the area proposed to be designated as a residential targeted area.

(4) Following the hearing, or a continuance of the hearing, the governing authority may designate all or a portion of the area described in the resolution of intent as a residential targeted area if it finds, in its sole discretion, that the criteria in subsections (1) through (3) of this section have been met.

(5) After designation of a residential targeted area, the governing authority must adopt and implement standards and guidelines to be utilized in considering applications and making the determinations required under RCW 84.14.060. The standards and guidelines must establish basic requirements for both new construction and rehabilitation, which must include:

(a) Application process and procedures;

(b) Income and rent standards for affordable units;

(c) Requirements that address demolition of existing structures and site utilization; and

(d) Building requirements that may include elements addressing parking, height, density, environmental impact, and compatibility with the existing surrounding property and such other amenities as will attract and keep permanent residents and that will properly enhance the livability of the residential targeted area in which they are to be located.

(6)(a) The governing authority may adopt and implement, either as conditions to eight-year exemptions or as conditions to an extended exemption period under RCW 84.14.020(1)(a)(ii) (B) or (C), or as conditions to any combination of exemptions authorized under this chapter, more stringent income eligibility, rent, or sale price limits, including limits that apply to a higher percentage of units, than the minimum conditions for an extended exemption period under RCW 84.14.020(1)(a)(ii) (B) or (C).

(b) Additionally, a governing authority may adopt and implement as a contractual prerequisite to any exemption granted pursuant to RCW 84.14.020:

(i) A requirement that applicants pay at least the prevailing rate of hourly wage established under chapter 39.12 RCW for journey level and apprentice workers on residential and commercial construction;

(ii) Payroll record requirements consistent with RCW 39.12.120(1);

(iii) Apprenticeship utilization requirements consistent with RCW 39.04.310; and

(iv) A contracting inclusion plan developed in consultation with the office of minority and women's business enterprises.

(7) For any multiunit housing located in an unincorporated area of a county, a property owner seeking tax incentives under this chapter must commit to renting or selling at least twenty percent of the multifamily housing units as affordable housing units to low and moderate-income households. In the case of multiunit housing intended exclusively for owner occupancy, the minimum requirement of this subsection (7) may be satisfied solely through housing affordable to moderate-income households.

(8) Nothing in this section prevents a governing authority from adopting and implementing additional requirements to any exemption granted under RCW 84.14.020. [2021 c 187 § 4; 2014 c 96 § 4; 2012 c 194 § 4; 2007 c 430 § 6; 1995 c 375 § 7.]

**Tax preference performance statement—2014 c 96:** "This section is the tax preference performance statement for the tax preference contained in RCW 84.14.040 and 84.14.060. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(1) The legislature categorizes this tax preference as one intended to induce certain designated behavior by taxpayers, as indicated in RCW 82.32.808(2)(a).

(2) It is the legislature's specific public policy objective to stimulate the construction of new multifamily housing in urban growth areas located in unincorporated areas of rural counties where housing options, including affordable housing options, are severely limited. It is the legislature's intent to provide the value of new housing construction, conversion, and rehabilitation improvements qualifying under chapter 84.14 RCW an exemption from ad valorem property taxation for eight to twelve years, as provided for in RCW 84.14.020, in order to provide incentives to developers to construct new multifamily housing thereby increasing the number of affordable housing units for low to moderate-income residents in certain rural counties.

(3) If a review finds that at least twenty percent of the new housing is developed and occupied by households making at or below eighty percent of the area median income, at the time of occupancy, adjusted for family size for the county where the project is located or where the housing is intended exclusively for owner occupancy, the household may earn up to one hundred fifteen percent of the area median income, at the time of sale, adjusted for family size for the county where the project is located, then the legislature intends to extend the expiration date of the tax preference.

(4) In order to obtain the data necessary to perform the review in subsection (3) of this section, the joint legislative audit and review committee may refer to data provided by counties in which beneficiaries are utilizing the preference, the office of financial management, the department of commerce, the United States department of housing and urban development, and other data sources as needed by the joint legislative audit and review committee." [2014 c 96 § 1.]

**84.14.050 Application—Procedures.** An owner of property seeking tax incentives under this chapter must complete the following procedures:

(1) In the case of rehabilitation or where demolition or new construction is required, the owner must secure from the governing authority or duly authorized representative, before commencement of rehabilitation improvements or new construction, verification of property noncompliance with applicable building and housing codes;

(2) In the case of new and rehabilitated multifamily housing, the owner must apply to the city or county on forms adopted by the governing authority. The application must contain the following:

(a) Information setting forth the grounds supporting the requested exemption including information indicated on the application form or in the guidelines;

(b) A description of the project and site plan, including the floor plan of units and other information requested;

(c) A statement that the applicant is aware of the potential tax liability involved when the property ceases to be eligible for the incentive provided under this chapter;

(3) The applicant must verify the application by oath or affirmation; and

(4) The application must be accompanied by the application fee, if any, required under RCW 84.14.080. The governing authority may permit the applicant to revise an application before final action by the governing authority. [2012 c 194 § 5; 2007 c 430 § 7; 1999 c 132 § 2; 1997 c 429 § 43; 1995 c 375 § 8.]

Additional notes found at www.leg.wa.gov

**84.14.060 Approval—Required findings.** (1) The duly authorized administrative official or committee of the city or county may approve the application if it finds that:

(a) A minimum of four new units are being constructed or in the case of occupied rehabilitation or conversion a minimum of four additional multifamily units are being developed;

(b) If applicable, the proposed multiunit housing project meets the affordable housing requirements as described in RCW 84.14.020;

(c) The proposed project is or will be, at the time of completion, in conformance with all local plans and regulations that apply at the time the application is approved;

(d) The owner has complied with all standards and guidelines adopted by the city or county under this chapter; and

(e) The site is located in a residential targeted area of an urban center or urban growth area that has been designated by the governing authority in accordance with procedures and guidelines indicated in RCW 84.14.040.

(2) An application may not be approved after July 1, 2007, if any part of the proposed project site is within a campus facilities master plan, except as provided in RCW 84.14.040(1)(d).

(3) An application may not be approved for a residential targeted area in a rural county on or after January 1, 2020. [2014 c 96 § 5; 2012 c 194 § 6. Prior: 2007 c 430 § 8; 2007 c 185 § 2; 1995 c 375 § 9.]

**Tax preference performance statement—2014 c 96:** See note following RCW 84.14.040.

Additional notes found at www.leg.wa.gov

**84.14.070 Processing—Approval—Denial—Appeal.** (1) The governing authority or an administrative official or commission authorized by the governing authority must approve or deny an application filed under this chapter within ninety days after receipt of the application.

(2) If the application is approved, the city or county must issue the owner of the property a conditional certificate of acceptance of tax exemption. The certificate must contain a statement by a duly authorized administrative official of the governing authority that the property has complied with the required findings indicated in RCW 84.14.060.

(3) If the application is denied by the authorized administrative official or commission authorized by the governing authority, the deciding administrative official or commission must state in writing the reasons for denial and send the notice to the applicant at the applicant's last known address within ten days of the denial.

(4) Upon denial by a duly authorized administrative official or commission, an applicant may appeal the denial to the governing authority within thirty days after receipt of the denial. The appeal before the governing authority must be based upon the record made before the administrative official with the burden of proof on the applicant to show that there was no substantial evidence to support the administrative official's decision. The decision of the governing body in denying or approving the application is final. [2012 c 194 § 7; 1995 c 375 § 10.]

**84.14.080 Fees.** The governing authority may establish an application fee. This fee may not exceed an amount determined to be required to cover the cost to be incurred by the governing authority and the assessor in administering this chapter. The application fee must be paid at the time the application for limited exemption is filed. If the application is approved, the governing authority shall pay the application fee to the county assessor for deposit in the county current expense fund, after first deducting that portion of the fee attributable to its own administrative costs in processing the application. If the application is denied, the governing authority may retain that portion of the application fee attributable to its own administrative costs and refund the balance to the applicant. [1995 c 375 § 11.]

**84.14.090 Filing requirements for owner upon completion—Determination by city or county—Notice of intention by city or county not to file—Extension of deadline—Appeal.** (1) Upon completion of rehabilitation or new construction for which an application for a limited tax exemption under this chapter has been approved and after issuance of the certificate of occupancy, the owner must file with the city or county the following:

(a) A statement of the amount of rehabilitation or construction expenditures made with respect to each housing unit and the composite expenditures made in the rehabilitation or construction of the entire property;

(b) A description of the work that has been completed and a statement that the rehabilitation improvements or new construction on the owner's property qualify the property for limited exemption under this chapter;

(c) If applicable, a statement that the project meets the affordable housing requirements as described in RCW 84.14.020; and

(d) A statement that the work has been completed within three years of the issuance of the conditional certificate of tax exemption.

(2) Within thirty days after receipt of the statements required under subsection (1) of this section, the authorized representative of the city or county must determine whether the work completed, and the affordability of the units, is consistent with the application and the contract approved by the city or county and is qualified for a limited tax exemption under this chapter. The city or county must also determine which specific improvements completed meet the requirements and required findings.

(3) If the rehabilitation, conversion, or construction is completed within three years of the date the application for a limited tax exemption is filed under this chapter, or within an authorized extension of this time limit, and the authorized representative of the city or county determines that improvements were constructed consistent with the application and other applicable requirements, including if applicable, affordable housing requirements, and the owner's property is qualified for a limited tax exemption under this chapter, the city or county must file the certificate of tax exemption with the county assessor within ten days of the expiration of the thirty-day period provided under subsection (2) of this section.

(4) The authorized representative of the city or county must notify the applicant that a certificate of tax exemption is not going to be filed if the authorized representative determines that:

(a) The rehabilitation or new construction was not completed within three years of the application date, or within any authorized extension of the time limit;

(b) The improvements were not constructed consistent with the application or other applicable requirements;

(c) If applicable, the affordable housing requirements as described in RCW 84.14.020 were not met; or

(d) The owner's property is otherwise not qualified for limited exemption under this chapter.

(5) If the authorized representative of the city or county finds that construction or rehabilitation of multiple-unit housing was not completed within the required time period due to circumstances beyond the control of the owner and that the owner has been acting and could reasonably be expected to act in good faith and with due diligence, the governing authority or the city or county official authorized by the governing authority may extend the deadline for completion of construction or rehabilitation for a period not to exceed twenty-four consecutive months. For preliminary or final applications submitted on or before February 15, 2020, with any outstanding application requirements, such as obtaining a temporary certificate of occupancy, the city or county may choose to extend the deadline for completion for an additional five years. The five-year extension begins immediately following the completion of any outstanding applications or previously authorized extensions, whichever is later.

(6) The governing authority may provide by ordinance for an appeal of a decision by the deciding officer or authority that an owner is not entitled to a certificate of tax exemption to the governing authority, a hearing examiner, or other city or county officer authorized by the governing authority to hear the appeal in accordance with such reasonable procedures and time periods as provided by ordinance of the governing authority. The owner may appeal a decision by the deciding officer or authority that is not subject to local appeal or a decision by the local appeal authority that the owner is not entitled to a certificate of tax exemption in superior court under RCW 34.05.510 through 34.05.598, if the appeal is filed within thirty days of notification by the city or county to the owner of the decision being challenged. [2021 c 187 § 10; 2012 c 194 § 8; 2007 c 430 § 9; 1995 c 375 § 12.]

**84.14.100 Report—Filing—Department of commerce audit or review—Guidance to cities and counties.** ***(Expires January 1, 2058.)*** (1) Thirty days after the anniversary of the date of the certificate of tax exemption and each year for the tax exemption period, the owner of the rehabilitated or newly constructed property, or the qualified nonprofit or local government that will assure permanent affordable homeownership for at least 25 percent of the units for properties receiving an exemption under RCW 84.14.021, must file with a designated authorized representative of the city or county an annual report indicating the following:

(a) A statement of occupancy and vacancy of the rehabilitated or newly constructed property during the twelve months ending with the anniversary date;

(b) A certification by the owner that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as

described in RCW 84.14.020 since the date of the certificate approved by the city or county;

(c) A description of changes or improvements constructed after issuance of the certificate of tax exemption; and

(d) Any additional information requested by the city or county in regards to the units receiving a tax exemption.

(2) All cities or counties, which issue certificates of tax exemption for multiunit housing that conform to the requirements of this chapter, must report annually by April 1st of each year, beginning in 2007, to the department of commerce. A city or county must be in compliance with the reporting requirements of this section to offer certificates of tax exemption for multiunit housing authorized in this chapter. The report must include the following information:

(a) The number of tax exemption certificates granted;

(b) The total number and type of units produced or to be produced;

(c) The number, size, and type of units produced or to be produced meeting affordable housing requirements;

(d) The actual development cost of each unit produced;

(e) The total monthly rent or total sale amount of each unit produced;

(f) The annual household income and household size for each of the affordable units receiving a tax exemption and a summary of these figures for the city or county; and

(g) The value of the tax exemption for each project receiving a tax exemption and the total value of tax exemptions granted.

(3)(a) The department of commerce must adopt and implement a program to effectively audit or review that the owner or operator of each property for which a certificate of tax exemption has been issued, except for those properties receiving an exemption that are owned or operated by a nonprofit or for those properties receiving an exemption from a city or county that operates an independent audit or review program, is offering the number of units at rents as committed to in the approved application for an exemption and that the tenants are being properly screened to be qualified for an income-restricted unit. The audit or review program must be adopted in consultation with local governments and other stakeholders and may be based on auditing a percentage of income-restricted units or properties annually. A private owner or operator of a property for which a certificate of tax exemption has been issued under this chapter, must be audited at least once every five years.

(b) If the review or audit required under (a) of this subsection for a given property finds that the owner or operator is not offering the number of units at rents as committed to in the approved application or is not properly screening tenants for income-restricted units, the department of commerce must notify the city or county and the city or county must impose and collect a sliding scale penalty not to exceed an amount calculated by subtracting the amount of rents that would have been collected had the owner or operator complied with their commitment from the amount of rents collected by the owner or operator for the income-restricted units, with consideration of the severity of the noncompliance. If a subsequent review or audit required under (a) of this subsection for a given property finds continued substantial noncompliance with the program requirements, the exemption certificate must be canceled pursuant to RCW 84.14.110.

(c) The department of commerce may impose and collect a fee, not to exceed the costs of the audit or review, from the owner or operator of any property subject to an audit or review required under (a) of this subsection.

(4) The department of commerce must provide guidance to cities and counties, which issue certificates of tax exemption for multiunit housing that conform to the requirements of this chapter, on best practices in managing and reporting for the exemption programs authorized under this chapter, including guidance for cities and counties to collect and report demographic information for tenants of units receiving a tax exemption under this chapter.

(5) This section expires January 1, 2058. [2021 c 187 § 5; 2012 c 194 § 9; 2007 c 430 § 10; 1995 c 375 § 13.]

**84.14.110 Cancellation of exemption—Notice by owner of change in use—Additional tax—Penalty—Interest—Lien—Notice of cancellation—Appeal—Correction of tax rolls.** (1) If improvements have been exempted under this chapter, the improvements continue to be exempted for the applicable period under RCW 84.14.020, so long as they are not converted to another use and continue to satisfy all applicable conditions. If the owner intends to convert the multifamily development to another use, or if applicable, if the owner intends to discontinue compliance with the affordable housing requirements as described in RCW 84.14.020 or any other condition to exemption, the owner must notify the assessor within sixty days of the change in use or intended discontinuance. If, after a certificate of tax exemption has been filed with the county assessor, the authorized representative of the governing authority discovers that a portion of the property is changed or will be changed to a use that is other than residential or that housing or amenities no longer meet the requirements, including, if applicable, affordable housing requirements, as previously approved or agreed upon by contract between the city or county and the owner and that the multifamily housing, or a portion of the housing, no longer qualifies for the exemption, the tax exemption must be canceled and the following must occur:

(a) Additional real property tax must be imposed upon the value of the nonqualifying improvements in the amount that would normally be imposed, plus a penalty must be imposed amounting to twenty percent. This additional tax is calculated based upon the difference between the property tax paid and the property tax that would have been paid if it had included the value of the nonqualifying improvements dated back to the date that the improvements were converted to a nonmultifamily use;

(b) The tax must include interest upon the amounts of the additional tax at the same statutory rate charged on delinquent property taxes from the dates on which the additional tax could have been paid without penalty if the improvements had been assessed at a value without regard to this chapter; and

(c) The additional tax owed together with interest and penalty must become a lien on the land and attach at the time the property or portion of the property is removed from multifamily use or the amenities no longer meet applicable requirements, and has priority to and must be fully paid and

satisfied before a recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the land may become charged or liable. The lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes. An additional tax unpaid on its due date is delinquent. From the date of delinquency until paid, interest must be charged at the same rate applied by law to delinquent ad valorem property taxes.

(2) Upon a determination that a tax exemption is to be canceled for a reason stated in this section, the governing authority or authorized representative must notify the record owner of the property as shown by the tax rolls by mail, return receipt requested, of the determination to cancel the exemption. The owner may appeal the determination to the governing authority or authorized representative, within thirty days by filing a notice of appeal with the clerk of the governing authority, which notice must specify the factual and legal basis on which the determination of cancellation is alleged to be erroneous. The governing authority or a hearing examiner or other official authorized by the governing authority may hear the appeal. At the hearing, all affected parties may be heard and all competent evidence received. After the hearing, the deciding body or officer must either affirm, modify, or repeal the decision of cancellation of exemption based on the evidence received. An aggrieved party may appeal the decision of the deciding body or officer to the superior court under RCW 34.05.510 through 34.05.598.

(3) Upon determination by the governing authority or authorized representative to terminate an exemption, the county officials having possession of the assessment and tax rolls must correct the rolls in the manner provided for omitted property under RCW 84.40.080. The county assessor must make such a valuation of the property and improvements as is necessary to permit the correction of the rolls. The value of the new housing construction, conversion, and rehabilitation improvements added to the rolls is considered as new construction for the purposes of chapter 84.55 RCW. The owner may appeal the valuation to the county board of equalization under chapter 84.48 RCW and according to the provisions of RCW 84.40.038. If there has been a failure to comply with this chapter, the property must be listed as an omitted assessment for assessment years beginning January 1 of the calendar year in which the noncompliance first occurred, but the listing as an omitted assessment may not be for a period more than three calendar years preceding the year in which the failure to comply was discovered. [2012 c 194 § 10; 2007 c 430 § 11; 2002 c 146 § 3; 2001 c 185 § 1; 1995 c 375 § 14.]

Additional notes found at www.leg.wa.gov

## Chapter 84.16 RCW
## ASSESSMENT AND TAXATION OF PRIVATE CAR COMPANIES

Sections



**84.16.010 Definitions.** For the purposes of this chapter and unless otherwise required by the context:

(1) The term "department" without other designation means the department of revenue of the state of Washington.

(2) The term "private car company" or "company" shall mean and include any person, copartnership, association, company or corporation owning, controlling, operating or managing stock cars, furniture cars, refrigerator cars, fruit cars, poultry cars, tank cars or any other kind of cars, used for transportation of property, by or upon railroad lines running in, into or through the state of Washington when such railroad lines are not owned or leased by such person, copartnership, association, company or corporation; or owning, controlling, operating or managing sleeping cars, parlor cars, buffet cars, tourist cars or any other kind of cars, used for transportation of persons by or upon railroads on lines running in, into or through the state of Washington, when such railroad lines are not owned or leased by such person, copartnership, association, company or corporation and upon which an extra charge in addition to the railroad transportation fare is made.

(3) The term "operating property" shall mean and include all rolling stock and car equipment owned by any private car company, or held by it as occupant, lessee or otherwise, including its franchises used and reasonably necessary in carrying on the business of such company; and in the case of rolling stock and car equipment used partly within and partly without the state, shall mean and include a proportion of such rolling stock and car equipment to be determined as in this chapter provided; and all such property shall, for the purposes of this chapter be deemed personal property. [1975 1st ex.s. c 278 § 173; 1961 c 15 § 84.16.010. Prior: 1933 c 146 § 1; RRS § 11172-1; prior: 1907 c 36 § 1.]

Additional notes found at www.leg.wa.gov

**84.16.020 Annual statement of private car companies.** Every private car company shall annually on or before the first day of May, make and file with the department of revenue in such form and upon such blanks as the department of revenue may provide and furnish, a statement, for the year ending December thirty-first next preceding, under the oath of the president, secretary, treasurer, superintendent or chief officer of such company, containing the following facts:

(1) The name of the company, the nature of the business conducted by the company, and under the laws of what state or country organized; the location of its principal office; the name and post office address of its president, secretary, auditor, treasurer, superintendent and general manager; the name and post office address of the chief officer or managing agent or attorney-in-fact in Washington.

(2) The total number of cars of every class used in transacting business on all lines of railroad, within the state and

outside the state; together with the original cost and the fair average value per car of all cars of each of such classes.

(3) The total number of miles of railroad main track over which such cars were used within this state and within each county in this state.

(4) The total number of car miles made by all cars on each of the several lines of railroad in this state, and the total number of car miles made by all cars on all railroads within and without the state during the year.

(5) A statement in detail of the entire gross receipts and net earnings of the company during the year within the state and of the entire system, from all sources.

(6) Such other facts or information as the department of revenue may require in the form of return prescribed by it.

The department of revenue shall have power to prescribe directions, rules and regulations to be followed in making the report required herein. [1975 1st ex.s. c 278 § 174; 1961 c 15 § 84.16.020. Prior: 1933 c 146 § 2; RRS § 11172-2; prior: 1907 c 36 § 2.]

Additional notes found at www.leg.wa.gov

**84.16.030 Annual statement of railroad companies.** The president or other officer of every railroad company whose lines run in, into or through this state, shall, on or before the first day of April in each year, furnish to the department of revenue a statement, verified by the affidavit of the officer making the same, showing as to every private car company respectively, the name of the company, the class of car and the total number of miles made by each class of cars, and the total number of miles made by all cars on its lines, branches, sidings, spurs or warehouse tracks, within this state during the year ending on the thirty-first day of December next preceding. [1975 1st ex.s. c 278 § 175; 1961 c 15 § 84.16.030. Prior: 1933 c 146 § 3; RRS § 11172-3.]

Additional notes found at www.leg.wa.gov

**84.16.032 Access to books and records.** The department of revenue shall have access to all books, papers, documents, statements, and accounts on file or of record in any of the departments of the state; and shall have the power, by summons signed by director and served in a like manner as a subpoena issued from courts of record, to compel witnesses to appear and give evidence and to produce books and papers. The director or any employee officially designated by the director is authorized to administer oaths to witnesses. The attendance of any witness may be compelled by attachment issued out of any superior court upon application to said court by the department, upon a proper showing that such witness has been duly served with a summons and has refused to appear before the said department. In case of the refusal of a witness to produce books, papers, documents, or accounts or to give evidence on matters material to the hearing, the department may institute proceedings in the proper superior court to compel such witness to testify, or to produce such books or papers and to punish him or her for the refusal. All summons and process issued by the department shall be served by the sheriff of the proper county and such service certified by him or her to the department of revenue without any compensation therefor. Persons appearing before the department in obedience to a summons, shall, in the discretion of the department, receive the same compensation as witnesses in the superior court. The records, books, accounts, and papers of each company shall be subject to visitation, investigation, or examination by the department, or any employee thereof officially designated by the director. All real and/or personal property of any company shall be subject to visitation, investigation, examination, and/or listing at any and all times by the department, or any person employed by the department. [2013 c 23 § 347; 1975 1st ex.s. c 278 § 176; 1973 c 95 § 10; 1961 c 15 § 84.16.032. Prior: 1933 c 146 § 4; RRS § 11172-4; prior: 1907 c 36 § 6. Formerly RCW 84.16.060.]

Additional notes found at www.leg.wa.gov

**84.16.034 Depositions may be taken, when.** The department of revenue in any matter material to the valuation, assessment or taxation of the property of any company, may cause the deposition of witnesses residing without the state or absent therefrom, to be taken upon notice to the company interested in like manner as the deposition of witnesses are taken in civil actions in the superior court. [1975 1st ex.s. c 278 § 177; 1961 c 15 § 84.16.034. Prior: 1933 c 146 § 5; RRS § 11172-5. Formerly RCW 84.16.070.]

Additional notes found at www.leg.wa.gov

**84.16.036 Default valuation by department of revenue—Penalty—Estoppel.** (1) If any company shall fail to comply with the provisions of RCW 84.16.020, the department shall add to the value of such company, as a penalty for such failure, five percent for every thirty days or fraction thereof, not to exceed ten percent, that the company fails to comply.

(2) If any company, or its officer or agent, shall refuse or neglect to make any report required by this chapter, or by the department of revenue, or shall refuse or neglect to permit an inspection and examination of its records, books, accounts, papers or property requested by the department of revenue, or shall refuse or neglect to appear before the department in obedience to a summons, the department shall inform itself the best it may of the matters to be known, in order to discharge its duties with respect to valuation and assessment of the property of such company; and the department shall add to the value so ascertained twenty-five percent as a penalty for the failure or refusal of such company to make its report and such company shall be estopped to question or impeach the assessment of the department of revenue in any hearing or proceeding thereafter. Such penalty shall be in lieu of the penalty provided for in subsection (1) of this section.

(3) The department shall waive or cancel the penalty imposed under subsection (1) of this section for good cause shown.

(4) The department shall waive or cancel the penalty imposed under subsection (1) of this section when the circumstances under which the failure to materially comply with the provisions of RCW 84.16.020 do not qualify for waiver or cancellation under subsection (3) of this section if:

(a) The company fully complies with the reporting provisions of RCW 84.16.020 within thirty days of the due date; and

(b) The company has timely complied with the provisions of RCW 84.16.020 for the previous two calendar years. The requirement that a company has timely complied with

the provisions of RCW 84.16.020 for the previous two calendar years is waived for any calendar year in which the company was not required to comply with the provisions of RCW 84.16.020. [2007 c 111 § 202; 1984 c 132 § 3; 1975 1st ex.s. c 278 § 178; 1961 c 15 § 84.16.036. Prior: 1933 c 146 § 6; RRS § 11172-6; prior: 1907 c 36 §§ 5, 6. Formerly RCW 84.16.080.]

Additional notes found at www.leg.wa.gov

**84.16.040 Annual assessment—Sources of information.** The department of revenue must annually make an assessment of the operating property of each private car company. Between the first day of May and the first day of July of each year the department must prepare an initial assessment roll upon which the department must enter and assess the true and fair value of all the operating property of each of such companies as of the first day of January of the year in which the assessment is made. The department must finalize the assessment roll by the twentieth day of August of each year. For the purpose of determining the true and fair value of such property the department of revenue may take into consideration any information or knowledge obtained by the department from an examination and inspection of such property, or of the books, records, and accounts of such companies, the statements filed as required by this chapter, the reports, statements, or returns of such companies filed in the office of any board, office, or commission of this state or any county thereof, the earnings and earning power of such companies, the franchises owned or used by such companies, the true and fair valuation of any and all property of such companies, whether operating property or nonoperating property, and whether situated within or without the state, and any other facts, evidences, or information that may be obtainable bearing upon the value of the operating property. However, in no event may any statement or report required from any company by this chapter be conclusive upon the department of revenue in determining the amount, character, and true and fair value of the operating property of such company. [2017 c 323 § 531; 2001 c 187 § 9; 1997 c 3 § 119 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 26; 1975 1st ex.s. c 278 § 179; 1961 c 15 § 84.16.040. Prior: 1939 c 206 § 22; 1933 c 146 § 7; RRS § 11172-7; prior: 1907 c 36 § 7.]

**Tax preference performance statement exemption—Automatic expiration date exemption—2017 c 323:** See note following RCW 82.04.040.

Additional notes found at www.leg.wa.gov

**84.16.050 Basis of valuation—Apportionment of system value to state.** The department of revenue may, in determining the true and fair value of the operating property to be placed on the assessment roll value the entire property as a unit. If the company owns, leases, operates or uses property partly within and partly without the state, the department of revenue may determine the value of the operating property within this state by the proportion that the value of such property bears to the value of the entire operating property of the company, both within and without this state. In determining the operating property which is located within this state the department of revenue may consider and base such determination on the proportion which the number of car miles of the various classes of cars made in this state bears to the total number of car miles made by the same cars within and without this state, or to the total number of car miles made by all cars of the various classes within and without this state. If the value of the operating property of the company cannot be fairly determined in such manner the department of revenue may use any other reasonable and fair method to determine the value of the operating property of the company within this state. [2001 c 187 § 10; 1997 c 3 § 120 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 27; 1975 1st ex.s. c 278 § 180; 1961 c 15 § 84.16.050. Prior: 1933 c 146 § 8; RRS § 11172-8; prior: 1907 c 36 § 7.]

Additional notes found at www.leg.wa.gov

**84.16.090 Assessment roll—Notice of valuation.** Upon the assessment roll must be placed after the name of each company a general description of the operating property of the company, which is considered sufficient if described in the language of RCW 84.16.010(3) or otherwise, following which must be entered the true and fair value of the operating property as determined by the department of revenue. No assessment is invalid by a mistake in the name of the company assessed, by omission of the name of the owner or by the entry of a name other than that of the true owner. When the department of revenue has prepared the initial assessment roll and entered thereon the true and fair value of the operating property of the company, as required, the department must notify the company by mail of the valuation determined by it and entered upon the roll; and thereupon such valuation must become the true and fair value of the operating property of the company, subject to revision or correction by the department of revenue as hereinafter provided; and must be the valuation upon which, after equalization by the department of revenue as hereinafter provided, the taxes of such company are based and computed. [2017 c 323 § 532; 2001 c 187 § 11; 1997 c 3 § 121 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 28; 1975 1st ex.s. c 278 § 181; 1961 c 15 § 84.16.090. Prior: 1933 c 146 § 9; RRS § 11172-9; prior: 1907 c 36 § 4.]

**Tax preference performance statement exemption—Automatic expiration date exemption—2017 c 323:** See note following RCW 82.04.040.

Additional notes found at www.leg.wa.gov

**84.16.100 Hearings, time and place of.** Every company assessed under the provisions of this chapter shall be entitled on its own motion to a hearing and to present evidence before the department of revenue, within the ten working days following the hearing request period, relating to the value of the operating property of such company and to the value of the other taxable property in the counties in which the operating property of such company is situate. Upon request in writing for such hearing, which must be presented to the department of revenue within the first ten working days of July following the making of the assessment, the department shall appoint a time and place therefor, within the respective periods aforesaid, the hearing to be conducted in such manner as the department shall direct. Hearings provided for in this section may be held at such times and in such places throughout the state as the department may deem proper or necessary and may be adjourned from time to time

and from place to place. [1994 c 124 § 15; 1975 1st ex.s. c 278 § 182; 1961 c 15 § 84.16.100. Prior: 1939 c 206 § 23; 1933 c 146 § 10; RRS § 11172-10.]

Additional notes found at www.leg.wa.gov

**84.16.110 Apportionment of value to counties by department of revenue.** Upon determination by the department of revenue of the true and fair value of the property appearing on such rolls the department shall apportion such value to the respective counties entitled thereto as hereinafter provided, and shall determine the equalized or assessed valuation of such property in such counties by applying to such actual apportioned value the same ratio as the ratio of assessed to actual value of the general property of the respective counties: PROVIDED, That, whenever the amount of the true and fair value of the operating property of any company otherwise apportionable to any county shall be less than two hundred fifty dollars, such amount need not be apportioned to such county but may be added to the amount apportioned to an adjacent county. [2001 c 187 § 12; 1997 c 3 § 122 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 29; 1967 ex.s. c 26 § 18; 1961 c 15 § 84.16.110. Prior: 1939 c 206 § 24; 1933 c 146 § 11; RRS § 11172-11.]

Additional notes found at www.leg.wa.gov

**84.16.120 Basis of apportionment.** The true and fair value of the property of each company as fixed and determined by the department of revenue as herein provided shall be apportioned to the respective counties in the following manner:

(1) If all the operating property of the company is situated entirely within a county and none of such property is located within, extends into, or through or is operated into or through any other county, the entire value thereof shall be apportioned to the county within which such property is situated, located, and operated.

(2) If the operating property of any company is situated or located within, extends into or is operated into or through more than one county, the value thereof shall be apportioned to the respective counties into or through which its cars are operated in the proportion that the length of main line track of the respective railroads moving such cars in such counties bears to the total length of main line track of such respective railroads in this state.

(3) If the property of any company is of such character that it will not be reasonable, feasible or fair to apportion the value as hereinabove provided, the value thereof shall be apportioned between the respective counties into or through which such property extends or is operated or in which the same is located in such manner as may be reasonable, feasible and fair. [2001 c 187 § 13; 1997 c 3 § 123 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 30; 1961 c 15 § 84.16.120. Prior: 1933 c 146 § 12; RRS § 11172-12; prior: 1907 c 36 § 7.]

Additional notes found at www.leg.wa.gov

**84.16.130 Certification to county assessors—Apportionment to taxing districts—Entry upon tax rolls.** When the department of revenue shall have determined the equalized or assessed value of the operating property of each company in the respective counties as hereinabove provided, the department of revenue shall certify such equalized or assessed value to the county assessor of the proper county; and the county assessor shall apportion and distribute such assessed or equalized valuation to and between the several taxing districts of the county entitled to a proportionate value thereof in the manner prescribed in RCW 84.16.120 for apportionment of values between counties. The county assessor shall enter such assessment upon the personal property tax rolls of the county, together with the values so apportioned, and the same shall be and constitute the assessed valuation of the operating company in such county for that year, upon which taxes shall be levied and collected the same as on general property of the county. [1994 c 301 § 31; 1975 1st ex.s. c 278 § 183; 1961 c 15 § 84.16.130. Prior: 1939 c 206 § 25; 1933 c 146 § 13; RRS § 11172-13.]

Additional notes found at www.leg.wa.gov

**84.16.140 Assessment of nonoperating property.** All property of any company not assessed as operating property under the provisions of this chapter shall be assessed by the assessor of the county wherein the same may be located or situate the same as the general property of the county. [1961 c 15 § 84.16.140. Prior: 1933 c 146 § 14; RRS § 11172-14.]

## Chapter 84.20 RCW
## EASEMENTS OF PUBLIC UTILITIES

Sections



**84.20.010 Easements taxable as personalty.** Easements and the property constructed upon or occupying such easements owned by public service corporations shall be assessed and taxed together as personal property and the taxes thereon shall be collected as personal property taxes. [1961 c 15 § 84.20.010. Prior: 1929 c 199 § 1; RRS § 11188.]

**84.20.020 Servient estate taxable as realty.** Real estate subject to any such easement shall be assessed and taxed as real estate subject to such easement. [1961 c 15 § 84.20.020. Prior: 1929 c 199 § 2; RRS § 11189.]

**84.20.030 Sale for taxes—Realty to be sold subject to easement.** When any such real estate is sold for delinquent taxes thereon it shall be sold subject to such easement, and the purchaser at any such tax sale shall acquire no title to such easement or the property constructed upon or occupying the same. [1961 c 15 § 84.20.030. Prior: 1929 c 199 § 3; RRS § 11190.]

**84.20.040 Realty not subject to tax on easement or property thereon.** Real estate subject to any such easement shall not be chargeable with any tax levied upon such easement or the property constructed upon or occupying such easement and shall not be sold for the nonpayment of any such tax. [1961 c 15 § 84.20.040. Prior: 1929 c 199 § 4; RRS § 11191.]

**84.20.050 Railroads excepted.** This chapter shall not apply to railroad easements or property. [1961 c 15 § 84.20.050. Prior: 1929 c 199 § 5; RRS § 11192.]

## Chapter 84.25 RCW
## TARGETED URBAN AREAS—EXEMPTION

Sections



**84.25.010 Findings.** The legislature finds that:

(1) Many cities have planned under the growth management act, chapter 36.70A RCW, and designated and zoned lands for industrial and manufacturing use;

(2) The industrial and manufacturing industries provide family living wage jobs;

(3) In the current economic climate the creation of additional family living wage jobs is essential;

(4) It is critical that Washington state promote its continued strength in the fields of aerospace, technology, biomedical, and other industries that will provide family-wage job growth; and

(5) Planning for industrial and manufacturing use is inadequate to attract new industry and manufacturing and an incentive should be created to stimulate the development of new industrial and manufacturing uses in the existing inventory of lands zoned for industrial and manufacturing use in targeted urban areas through a tax incentive as provided by this chapter. [2015 1st sp.s. c 9 § 1.]

**84.25.020 Purpose.** It is the purpose of this chapter to encourage new manufacturing and industrial uses on undeveloped or underutilized lands zoned for industrial and manufacturing uses in targeted urban areas, thereby increasing employment opportunities for family living wage jobs. Cities that plan under the growth management act meeting the criteria of this chapter where the governing authority of the affected city has found there is insufficient family living wage jobs for its wage earning population may designate a portion of the city's industrial and manufacturing zoned and undeveloped land to receive an ad valorem tax exemption for the value of new construction of industrial/manufacturing facilities within the designated area. [2015 1st sp.s. c 9 § 2.]

**84.25.030 Definitions.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "City" means any city or town.

(2) "Family living wage job" means a job that offers health care benefits with a wage that is sufficient for raising a family. A family living wage job must have an average wage of $23 an hour or more, working 2,080 hours per year on the subject site, as adjusted annually for inflation by the consumer price index. The family living wage may be increased by the local authority based on regional factors and wage conditions.

(3) "Governing authority" means the local legislative authority of a city or county having jurisdiction over the property for which an exemption may be applied for under this chapter.

(4) "Growth management act" means chapter 36.70A RCW.

(5) "Industrial/manufacturing facilities" means building improvements that are 10,000 square feet or larger, representing a minimum improvement valuation of $800,000 for uses categorized as "division D: manufacturing" or "division E: transportation (major groups 40-42, 45, or 47-48)" by the United States department of labor in the occupation safety and health administration's standard industrial classification manual, provided, a city may limit the tax exemption to manufacturing uses.

(6) "Lands zoned for industrial and manufacturing uses" means lands in a city zoned for an industrial or manufacturing use consistent with the city's comprehensive plan where the lands are designated for industry.

(7) "Owner" means the property owner of record.

(8) "Targeted area" means an area of undeveloped lands zoned for industrial and manufacturing uses in the city that is located within or contiguous to an innovation partnership zone, foreign trade zone, or EB-5 regional center, and designated for possible exemption under the provisions of this chapter.

(9) "Undeveloped or underutilized" means that there are no existing building improvements on the portions of the property targeted for new or expanded industrial or manufacturing uses. [2022 c 172 § 1; 2021 c 218 § 1; 2015 1st sp.s. c 9 § 3.]

**Effective date—2022 c 172:** See note following RCW 82.04.294.

**84.25.040 Exemption—New construction of industrial/manufacturing facilities.** (1)(a) The value of new construction of industrial/manufacturing facilities qualifying under this chapter is exempt from property taxation under this title, as provided in this section. The value of new construction of industrial/manufacturing facilities is exempt from taxation for properties for which an application for a certificate of tax exemption is submitted under this chapter before December 31, 2030. The value is exempt under this section for 10 successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate.

(b) The exemption provided in this section does not include the value of land or nonindustrial/manufacturing-related improvements not qualifying under this chapter.

(2) The exemption provided in this section is in addition to any other exemptions, deferrals, credits, grants, or other tax incentives provided by law.

(3) This chapter does not apply to state levies or increases in assessed valuation made by the assessor on non-

qualifying portions of buildings and value of land nor to increases made by lawful order of a county board of equalization, the department of revenue, or a county, to a class of property throughout the county or specific area of the county to achieve the uniformity of assessment or appraisal required by law.

(4) This exemption does not apply to any county property taxes unless the governing body of the county adopts a resolution and notifies the governing authority of its intent to allow the property to be exempted from county property taxes.

(5) At the conclusion of the exemption period, the new industrial/manufacturing facilities cost must be considered as new construction for the purposes of chapter 84.55 RCW. [2021 c 218 § 2; 2015 1st sp.s. c 9 § 4.]

**84.25.050 Application requirements for property owner.** An owner of property making application under this chapter must meet the following requirements:

(1) The new construction of industrial/manufacturing facilities must be located on land zoned for industrial and manufacturing uses, undeveloped or underutilized, and as provided in RCW 84.25.060, designated by the city as a targeted area;

(2) The new construction of industrial/manufacturing facilities must meet all construction and development regulations of the city;

(3) The new construction of industrial/manufacturing facilities must be completed within three years from the date of approval of the application; and

(4) The applicant must enter into a contract with the city approved by the city governing authority under which the applicant has agreed to the implementation of the development on terms and conditions satisfactory to the governing authority. [2021 c 218 § 3; 2015 1st sp.s. c 9 § 5.]

**84.25.060 Targeted area designation requirements.** (1) The following criteria must be met before an area may be designated as a targeted area:

(a) The area must be lands zoned for industrial and manufacturing uses; and

(b) The city must have determined that the targeting of the area, as evaluated by the governing authority, will assist in the new construction of industrial/manufacturing facilities that will provide employment for family living wage jobs.

(2) For the purpose of designating a targeted area, the governing authority may adopt a resolution of intention to so designate an area as generally described in the resolution. The resolution must state the time and place of a hearing to be held by the governing authority to consider the designation of the area and may include such other information pertaining to the designation of the area as the governing authority determines to be appropriate to apprise the public of the action intended.

(3) The governing authority must give notice of a hearing held under this chapter by publication of the notice once each week for two consecutive weeks, not less than seven days, nor more than thirty days before the date of the hearing in a paper having a general circulation in the city where the proposed targeted area is located. The notice must state the time, date, place, and purpose of the hearing and generally identify the area proposed to be designated as a targeted area.

(4) Following the hearing or a continuance of the hearing, and subject to the limit on targeted areas, the governing authority may designate all or a portion of the area described in the resolution of intent as a targeted area if it finds, in its sole discretion, that the criteria in subsection (1) of this section have been met. [2015 1st sp.s. c 9 § 6.]

**84.25.070 Exemption application procedures.** An owner of property seeking an exemption under this chapter must complete the following procedures:

(1) The owner must apply to the city on forms adopted by the governing authority. The application must contain the following:

(a) Information setting forth the grounds supporting the requested exemption including information indicated on the application form or in the guidelines;

(b) A description of the project and site plan, and other information requested;

(c) A statement of the expected number of new family living wage jobs to be created;

(d) A statement that the applicant is aware of the potential tax liability involved when the property ceases to be eligible for the incentive provided under this chapter; and

(e) A statement that the applicant would not have built in this location but for the availability of the tax exemption under this chapter;

(2) The applicant must verify the application by oath or affirmation; and

(3) The application must be accompanied by the application fee, if any, required under this chapter. The governing authority may permit the applicant to revise an application before final action by the governing authority. [2015 1st sp.s. c 9 § 7.]

**84.25.080 Application approval—City governing authority review requirements.** (1) The city governing authority may approve the application if it finds that:

(a) A minimum of 25 new family living wage jobs will be created on the subject site as a result of new construction of industrial/manufacturing facilities within one year of building occupancy;

(b) The proposed project is, or will be, at the time of completion, in conformance with all local plans and regulations that apply at the time the application is approved; and

(c) The criteria of this chapter have been satisfied.

(2) Priority must be given to applications that meet the following labor specifications during the new construction and ongoing business of industrial/manufacturing facilities:

(a) Compensate workers at prevailing wage rates as determined by the department of labor and industries;

(b) Procure from, and contract with, women-owned, minority-owned, or veteran-owned businesses;

(c) Procure from, and contract with, entities that have a history of complying with federal and state wage and hour laws and regulations;

(d) Include apprenticeship utilization from state-registered apprenticeship programs;

(e) Provide for preferred entry for workers living in the area where the project is being constructed; and

(f) Maintain certain labor standards for workers employed primarily at the facility after construction, including production, maintenance, and operational employees. [2021 c 218 § 4; 2015 1st sp.s. c 9 § 8.]

**84.25.090 Application—City governing authority approval or denial—Appeals.** (1) The city governing authority must approve or deny an application filed under this chapter within ninety days after receipt of the application.

(2) If the application is approved, the city must issue the owner of the property a conditional certificate of acceptance of tax exemption. The certificate must contain a statement by a duly authorized administrative official of the governing authority that the property has complied with the required criteria of this chapter.

(3) If the application is denied by the city, the city must state in writing the reasons for denial and send the notice to the applicant at the applicant's last known address within ten days of the denial.

(4) Upon denial by the city, an applicant may appeal the denial to the city's governing authority within thirty days after receipt of the denial. The appeal before the city's governing authority must be based upon the record made before the city with the burden of proof on the applicant to show that there was no substantial evidence to support the city's decision. The decision of the city in denying or approving the application is final. [2021 c 218 § 5; 2015 1st sp.s. c 9 § 9.]

**84.25.100 Application fee.** The governing authority may establish an application fee. This fee may not exceed an amount determined to be required to cover the cost to be incurred by the governing authority and the assessor in administering this chapter. The application fee must be paid at the time the application for limited exemption is filed. If the application is approved, the governing authority of the city must pay the application fee to the county assessor for deposit in the county current expense fund, after first deducting that portion of the fee attributable to its own administrative costs in processing the application. If the application is denied, the city's governing authority may retain that portion of the application fee attributable to its own administrative costs and refund the balance to the applicant. [2015 1st sp.s. c 9 § 10.]

**84.25.110 Certificate of tax exemption—Requirements.** (1) Upon completion of the new construction of a manufacturing/industrial [industrial/manufacturing] facility for which an application for an exemption under this chapter has been approved and issued a certificate of occupancy, the owner must file with the city the following:

(a) A description of the work that has been completed and a statement that the new construction on the owner's property qualify the property for a partial exemption under this chapter;

(b) A statement of the new family living wage jobs to be offered as a result of the new construction of manufacturing/industrial [industrial/manufacturing] facilities; and

(c) A statement that the work has been completed within three years of the issuance of the conditional certificate of tax exemption.

(2) Within thirty days after receipt of the statements required under subsection (1) of this section, the city must determine whether the work completed and the jobs to be offered are consistent with the application and the contract approved by the city and whether the application is qualified for a tax exemption under this chapter.

(3) If the criteria of this chapter have been satisfied and the owner's property is qualified for a tax exemption under this chapter, the city must file the certificate of tax exemption with the county assessor within ten days of the expiration of the thirty-day period provided under subsection (2) of this section.

(4) The city must notify the applicant that a certificate of tax exemption is denied if the city determines that:

(a) The work was not completed within three years of the application date;

(b) The work was not constructed consistent with the application or other applicable requirements;

(c) The jobs to be offered are not consistent with the application and criteria of this chapter; or

(d) The owner's property is otherwise not qualified for an exemption under this chapter.

(5) If the city finds that the work was not completed within the required time period due to circumstances beyond the control of the owner and that the owner has been acting and could reasonably be expected to act in good faith and with due diligence, the governing authority or the city official authorized by the governing authority may extend the deadline for completion of the work for a period not to exceed twenty-four consecutive months.

(6) The city's governing authority may enact an ordinance to provide a process for an owner to appeal a decision by the city that the owner is not entitled to a certificate of tax exemption to the city. The owner may appeal a decision by the city to deny a certificate of tax exemption in superior court under RCW 34.05.510 through 34.05.598, if the appeal is filed within thirty days of notification by the city to the owner of the exemption denial. [2015 1st sp.s. c 9 § 11.]

**84.25.120 Annual report.** (1) Thirty days after the anniversary of the date of the certificate of tax exemption and each year for the tax exemption period, the owner of the new industrial/manufacturing facilities must file with a designated authorized representative of the city an annual report indicating the following:

(a) A statement of the family living wage jobs at the facility as of the anniversary date;

(b) A certification by the owner that the property has not changed use;

(c) A description of changes or improvements constructed after issuance of the certificate of tax exemption; and

(d) Any additional information requested by the city.

(2) A city that issues a certificate of tax exemption under this chapter must report annually by December 31st of each year, beginning in 2013, to the department of commerce. The report must include the following information:

(a) The number of tax exemption certificates granted;

(b) The total number and type of new manufacturing/industrial [industrial/manufacturing] facilities constructed;

(c) The number of family living wage jobs resulting from the new manufacturing/industrial [industrial/manufacturing] facilities; and

(d) The value of the tax exemption for each project receiving a tax exemption and the total value of tax exemptions granted. [2015 1st sp.s. c 9 § 12.]

**84.25.130 Improvements.** (1) If the value of improvements have been exempted under this chapter, the improvements continue to be exempted for the applicable period under this chapter so long as they are not converted to another use and continue to satisfy all applicable conditions including, but not limited to, zoning, land use, building, and family-wage job creation.

(2) If an owner voluntarily opts to discontinue compliance with the requirements of this chapter, the owner must notify the assessor within 60 days of the change in use or intended discontinuance.

(3) If, after a certificate of tax exemption has been filed with the county assessor, the city discovers that a portion of the property is changed or will be changed to disqualify the owner for exemption eligibility under this chapter, the tax exemption must be canceled and the following occurs:

(a) Additional real property tax must be imposed on the value of the nonqualifying improvements in the amount that would be imposed if an exemption had not been available under this chapter, plus a penalty equal to 20 percent of the additional value. This additional tax is calculated based upon the difference between the property tax paid and the property tax that would have been paid if it had included the value of the nonqualifying improvements dated back to the date that the improvements were converted to a nonqualifying use;

(b) The tax must include interest upon the amounts of the additional tax at the same statutory rate charged on delinquent property taxes from the dates on which the additional tax could have been paid without penalty if the improvements had been assessed at a value without regard to this chapter; and

(c) The additional tax owed together with interest and penalty becomes a lien on the property and attaches at the time the property or portion of the property is removed from the qualifying use under this chapter or the amenities no longer meet the applicable requirements for exemption under this chapter. A lien under this section has priority to, and must be fully paid and satisfied before, a recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the property may become charged or liable. The lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes. An additional tax unpaid on its due date is delinquent. From the date of delinquency until paid, interest must be charged at the same rate applied by law to delinquent property taxes.

(4) If, after a certificate of tax exemption has been filed with the county assessor, the city discovers that the facility maintains fewer than 25 family living wage jobs, the owner is considered ineligible for the exemption under this chapter, and the following must occur:

(a) The tax exemption must be canceled; and

(b) Additional real property tax must be imposed in the amount that would be imposed if an exemption had not been available under this chapter, dated back to the date that the facility last maintained a minimum of 25 family living wage jobs.

(5) Upon a determination that a tax exemption is to be terminated for a reason stated in this section, the city's governing authority must notify the record owner of the property as shown by the tax rolls by mail, return receipt requested, of the determination to terminate the exemption. The owner may appeal the determination to the city, within 30 days by filing a notice of appeal with the city, which notice must specify the factual and legal basis on which the determination of termination is alleged to be erroneous. At an appeal hearing, all affected parties may be heard and all competent evidence received. After the hearing, the deciding body or officer must either affirm, modify, or repeal the decision of termination of exemption based on the evidence received. An aggrieved party may appeal the decision of the deciding body or officer to the superior court as provided in RCW 34.05.510 through 34.05.598.

(6) Upon determination by the city to terminate an exemption, the county officials having possession of the assessment and tax rolls must correct the rolls in the manner provided for omitted property under RCW 84.40.080. The county assessor must make such a valuation of the property and improvements as is necessary to permit the correction of the rolls. The value of the new industrial/manufacturing facilities added to the rolls is considered new construction for the purposes of chapter 84.40 RCW. The owner may appeal the valuation to the county board of equalization as provided in chapter 84.40 RCW. If there has been a failure to comply with this chapter, the property must be listed as an omitted assessment for assessment years beginning January 1st of the calendar year in which the noncompliance first occurred, but the listing as an omitted assessment may not be for a period more than three calendar years preceding the year in which the failure to comply was discovered. [2021 c 218 § 6; 2015 1st sp.s. c 9 § 13.]

**84.25.140 Application—2015 1st sp.s. c 9.** This act applies to taxes levied for collection in 2016 and thereafter. [2015 1st sp.s. c 9 § 14.]

## Chapter 84.26 RCW
## HISTORIC PROPERTY

Sections

**84.26.010 Legislative findings.** The legislature finds and declares that it is in the public interest of the people of the state of Washington to encourage maintenance, improvement, and preservation of privately owned historic landmarks as the state approaches its Centennial year of 1989. To achieve this purpose, this chapter provides special valuation for improvements to historic property. [1985 c 449 § 1.]

**84.26.020 Definitions.** Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Historic property" means real property together with improvements thereon, except property listed in a register primarily for objects buried below ground, which is:

(a) Listed in a local register of historic places created by comprehensive ordinance, certified by the secretary of the interior as provided in P.L. 96-515; or

(b) Listed in the national register of historic places.

(2) "Cost" means the actual cost of rehabilitation, which cost shall be at least twenty-five percent of the assessed valuation of the historic property, exclusive of the assessed value attributable to the land, prior to rehabilitation.

(3) "Special valuation" means the determination of the assessed value of the historic property subtracting, for up to ten years, such cost as is approved by the local review board.

(4) "State review board" means the advisory council on historic preservation established under chapter 27.34 RCW, or any successor agency designated by the state to act as the state historic preservation review board under federal law.

(5) "Local review board" means a local body designated by the local legislative authority.

(6) "Owner" means the owner of record.

(7) "Rehabilitation" is the process of returning a property to a state of utility through repair or alteration, which makes possible an efficient contemporary use while preserving those portions and features of the property which are significant to its architectural and cultural values. [1986 c 221 § 1; 1985 c 449 § 2.]

**84.26.030 Special valuation criteria.** Four criteria must be met for special valuation under this chapter. The property must:

(1) Be an historic property;

(2) Fall within a class of historic property determined eligible for special valuation by the local legislative authority;

(3) Be rehabilitated at a cost which meets the definition set forth in RCW 84.26.020(2) within twenty-four months prior to the application for special valuation; and

(4) Be protected by an agreement between the owner and the local review board as described in RCW 84.26.050(2). [1986 c 221 § 2; 1985 c 449 § 3.]

**84.26.040 Application—Fees.** An owner of property desiring special valuation under this chapter shall apply to the assessor of the county in which the property is located upon forms prescribed by the department of revenue and supplied by the county assessor. The application form shall include a statement that the applicant is aware of the potential tax liability involved when the property ceases to be eligible for special valuation. Applications shall be made no later than October 1 of the calendar year preceding the first assessment year for which classification is requested. The assessor may charge only such fees as are necessary to process and record documents pursuant to this chapter. [1986 c 221 § 3; 1985 c 449 § 4.]

**84.26.050 Referral of application to local review board—Agreement—Approval or denial.** (1) Within ten days after the filing of the application in the county assessor's office, the county assessor shall refer each application for classification to the local review board.

(2) The review board shall approve the application if the property meets the criterion of RCW 84.26.030 and is not altered in a way which adversely affects those elements which qualify it as historically significant, and the owner enters into an agreement with the review board which requires the owner for the ten-year period of the classification to:

(a) Monitor the property for its continued qualification for the special valuation;

(b) Comply with rehabilitation plans and minimum standards of maintenance as defined in the agreement;

(c) Make the historic aspects of the property accessible to public view one day a year, if the property is not visible from the public right-of-way;

(d) Apply to the local review board for approval or denial of any demolition or alteration; and

(e) Comply with any other provisions in the original agreement as may be appropriate.

(3) Once an agreement between an owner and a review board has become effective pursuant to this chapter, there shall be no changes in standards of maintenance, public access, alteration, or report requirements, or any other provisions of the agreement, during the period of the classification without the approval of all parties to the agreement.

(4) An application for classification as an eligible historic property shall be approved or denied by the local review board before December 31st of the calendar year in which the application is made.

(5) The local review board is authorized to examine the records of applicants.

(6) No new applications may be approved on or after January 1, 2031. [2020 c 91 § 2; 1986 c 221 § 4; 1985 c 449 § 5.]

**Tax preference performance statement—2020 c 91 §§ 1 and 2:** See note following RCW 84.26.070.

**84.26.060 Notice to assessor of approval—Certification and filing—Notation of special valuation.** (1) The review board shall notify the county assessor and the applicant of the approval or denial of the application.

(2) If the local review board determines that the property qualifies as eligible historic property, the review board shall certify the fact in writing and shall file a copy of the certificate with the county assessor within ten days. The certificate shall state the facts upon which the approval is based.

(3) The assessor shall record the certificate with the county auditor.

(4) The assessor, as to any historic property, shall value the property under RCW 84.26.070 and, each year the historic property is classified and so valued, shall enter on the

assessment list and tax roll that the property is being specially valued as historic property. [1985 c 449 § 6.]

**84.26.070 Valuation.** (1) The county assessor shall, for ten consecutive assessment years following the calendar year in which application is made, place a special valuation on property classified as eligible historic property.

(2) The entitlement of property to the special valuation provisions of this section shall be determined as of January 1. If property becomes disqualified for the special valuation for any reason, the property shall receive the special valuation for that part of any year during which it remained qualified or the owner was acting in the good faith belief that the property was qualified.

(3) At the conclusion of special valuation, the cost shall be considered as new construction.

(4)(a) A property is eligible for two seven-year extensions of the special valuation if:

(i) The property is located in a county that is listed as a distressed area as reported by the state employment security department and the city is under twenty thousand in population; and

(ii) The property continues to meet the criteria provided in RCW 84.26.030.

(b) Extensions must be applied for by the owner, upon forms prescribed by the department of revenue and supplied by the county assessor, at least ninety days prior to the expiration of the special valuation.

(c) All extensions must be reviewed by the local review board and may be approved or denied at the local review board's discretion.

(d) No extension may be provided under this subsection on or after January 1, 2057. [2020 c 91 § 1; 1986 c 221 § 5; 1985 c 449 § 7.]

**Tax preference performance statement—2020 c 91 §§ 1 and 2:** "(1) This section is the tax preference performance statement for the tax preference contained in sections 1 and 2, chapter 91, Laws of 2020. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or to be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals as provided in RCW 82.32.808(2)(e).

(3) It is the legislature's specific public policy objective to promote the revitalization of historic properties.

(4) If the review finds that the number of taxpayers claiming this preference increases, then the legislature intends to extend the expiration date of this tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to any data collected by the state." [2020 c 91 § 3.]

**84.26.080 Duration of special valuation—Notice of disqualification.** (1) When property has once been classified and valued as eligible historic property, it shall remain so classified and be granted the special valuation provided by RCW 84.26.070 for ten years or until the property is disqualified by:

(a) Notice by the owner to the assessor to remove the special valuation;

(b) Sale or transfer to an ownership making it exempt from property taxation; or

(c) Removal of the special valuation by the assessor upon determination by the local review board that the property no longer qualifies as historic property or that the owner has failed to comply with the conditions established under RCW 84.26.050.

(2) The sale or transfer to a new owner or transfer by reason of death of a former owner to a new owner does not disqualify the property from the special valuation provided by RCW 84.26.070 if:

(a) The property continues to qualify as historic property; and

(b) The new owner files a notice of compliance with the assessor of the county in which the property is located. Notice of compliance forms shall be prescribed by the state department of revenue and supplied by the county assessor. The notice shall contain a statement that the new owner is aware of the special valuation and of the potential tax liability involved when the property ceases to be valued as historic property under this chapter. The signed notice of compliance shall be attached to the real estate excise tax affidavit provided for in RCW 82.45.150. If the notice of compliance is not signed by the new owner and attached to the real estate excise tax affidavit, all additional taxes calculated pursuant to RCW 84.26.090 shall become due and payable by the seller or transferor at time of sale. The county auditor shall not accept an instrument of conveyance of specially valued historic property for filing or recording unless the new owner has signed the notice of compliance or the additional tax has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer.

(3) When the property ceases to qualify for the special valuation the owner shall immediately notify the state or local review board.

(4) Before the additional tax or penalty imposed by RCW 84.26.090 is levied, in the case of disqualification, the assessor shall notify the taxpayer by mail, return receipt requested, of the disqualification. [2000 c 103 § 22; 1999 c 233 § 19; 1986 c 221 § 6; 1985 c 449 § 8.]

Additional notes found at www.leg.wa.gov

**84.26.090 Disqualification for valuation—Additional tax—Lien—Exceptions from additional tax.** (1) Except as provided in subsection (3) of this section, whenever property classified and valued as eligible historic property under RCW 84.26.070 becomes disqualified for the valuation, there shall be added to the tax an additional tax equal to:

(a) The cost multiplied by the levy rate in each year the property was subject to special valuation; plus

(b) Interest on the amounts of the additional tax at the statutory rate charged on delinquent property taxes from the dates on which the additional tax could have been paid without penalty if the property had not been valued as historic property under this chapter; plus

(c) A penalty equal to twelve percent of the amount determined in (a) and (b) of this subsection.

(2) The additional tax and penalties, together with applicable interest thereon, shall become a lien on the property which shall have priority to and shall be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the property may become charged or liable.

(3) The additional tax, interest, and penalty shall not be imposed if the disqualification resulted solely from:

(a) Sale or transfer of the property to an ownership making it exempt from taxation;

(b) Alteration or destruction through no fault of the owner; or

(c) A taking through the exercise of the power of eminent domain. [1986 c 221 § 7; 1985 c 449 § 9.]

**84.26.100 Payment of additional tax—Distribution.** The additional tax, penalties, and/or interest provided by RCW 84.26.090 shall be payable in full thirty days after the date which the treasurer's statement therefor is rendered. Such additional tax when collected shall be distributed by the county treasurer in the same manner in which current taxes applicable to the subject land are distributed. [1985 c 449 § 10.]

**84.26.110 Special valuation—Request for assistance from state historic preservation officer authorized.** The local legislative authority and the local review board may request the assistance of the state historic preservation officer in conducting special valuation activities. [1985 c 449 § 11.]

**84.26.120 Rules.** The state review board shall adopt rules necessary to carry out the purposes of this chapter. The rules shall include rehabilitation and maintenance standards for historic properties to be used as minimum requirements by local review boards to ensure that the historic property is safe and habitable, including but not limited to:

(1) Elimination of visual blight due to past neglect of maintenance and repair to the exterior of the building, including replacement of broken or missing doors and windows, repair of deteriorated architectural features, and painting of exterior surfaces;

(2) Correction of structural defects and hazards;

(3) Protection from weather damage due to defective roofing, flashings, glazing, caulking, or lack of heat; and

(4) Elimination of any condition on the premises which could cause or augment fire or explosion. [1985 c 449 § 12.]

**84.26.130 Appeals from decisions on applications.** Any decision by a local review board on an application for classification as historic property eligible for special valuation may be appealed to superior court under RCW 34.05.510 through 34.05.598 in addition to any other remedy at law. Any decision on the disqualification of historic property eligible for special valuation, or any other dispute, may be appealed to the county board of equalization in accordance with RCW 84.40.038. [2001 c 185 § 2; 1989 c 175 § 178; 1985 c 449 § 13.]

Additional notes found at www.leg.wa.gov

## Chapter 84.33 RCW
## TIMBER AND FORESTLANDS

Sections



**84.33.010 Legislative findings.** As a result of the study and analysis of systems of taxation of standing timber and forestlands by the forest tax committee pursuant to Senate Concurrent Resolution No. 30 of the 41st session of the legislature, and the recommendations of the committee based thereon, the legislature hereby finds that:

(1) The public welfare requires that this state's system for taxation of timber and forestlands be modernized to assure the citizens of this state and its future generations the advantages to be derived from the continuous production of timber and forest products from the significant area of privately owned forests in this state. It is this state's policy to encourage forestry and restocking and reforesting of such forests so that present and future generations will enjoy the benefits which forest areas provide in enhancing water supply, in minimizing soil erosion, storm and flood damage to persons or property, in providing a habitat for wild game, in providing scenic and recreational spaces, in maintaining land areas whose forests contribute to the natural ecological equilibrium, and in providing employment and profits to its citizens and raw materials for products needed by everyone.

(2) The combination of variations in quantities, qualities and locations of timber and forestlands, the fact that market areas for timber products are nationwide and worldwide and the unique long term nature of investment costs and risks associated with growing timber, all make exceedingly diffi-

cult the function of valuing and assessing timber and forestlands.

(3) The existing ad valorem property tax system is unsatisfactory for taxation of standing timber and forestland and will significantly frustrate, to an ever increasing degree with the passage of time, the perpetual enjoyment of the benefits enumerated above.

(4) For these reasons it is desirable, in exercise of the powers to promote the general welfare and to impose taxes; that

(a) the ad valorem system for taxing timber be modified and discontinued in stages over a three year period during which such system will be replaced by one under which timber will be taxed on the basis of stumpage value at the time of harvest, and

(b) forestland remain under the ad valorem taxation system but be taxed only as provided in this chapter and RCW 28A.150.250. [1990 c 33 § 598; 1984 c 204 § 16; 1971 ex.s. c 294 § 1.]

**Purpose—Statutory references—Severability—1990 c 33:** See RCW 28A.900.100 through 28A.900.102.

Additional notes found at www.leg.wa.gov

**84.33.035 Definitions.** Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Agricultural methods" means the cultivation of trees that are grown on land prepared by intensive cultivation and tilling, such as irrigating, plowing, or turning over the soil, and on which all unwanted plant growth is controlled continuously for the exclusive purpose of raising trees such as Christmas trees and short-rotation hardwoods.

(2) "Average rate of inflation" means the annual rate of inflation as determined by the department averaged over the period of time as provided in RCW 84.33.220 (1) and (2). This rate must be published in the state register by the department not later than January 1st of each year for use in that assessment year.

(3) "Composite property tax rate" for a county means the total amount of property taxes levied upon forestlands by all taxing districts in the county other than the state, divided by the total assessed value of all forestland in the county.

(4) "Contiguous" means land adjoining and touching other property held by the same ownership. Land divided by a public road, but otherwise an integral part of a timber growing and harvesting operation, is considered contiguous. Solely for the purposes of this subsection (4), "same ownership" has the same meaning as in RCW 84.34.020(6).

(5) "Forestland" is synonymous with "designated forestland" and means any parcel of land that is five or more acres or multiple parcels of land that are contiguous and total five or more acres that is or are devoted primarily to growing and harvesting timber. Designated forestland means the land only and does not include a residential homesite. The term includes land used for incidental uses that are compatible with the growing and harvesting of timber but no more than ten percent of the land may be used for such incidental uses. It also includes the land on which appurtenances necessary for the production, preparation, or sale of the timber products exist in conjunction with land producing these products.

(6) "Harvested" means the time when in the ordinary course of business the quantity of timber by species is first definitely determined. The amount harvested must be determined by the Scribner Decimal C Scale or other prevalent measuring practice adjusted to arrive at substantially equivalent measurements, as approved by the department.

(7) "Harvester" means every person who from the person's own land or from the land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services, fells, cuts, or takes timber for sale or for commercial or industrial use. When the United States or any instrumentality thereof, the state, including its departments and institutions and political subdivisions, or any municipal corporation therein so fells, cuts, or takes timber for sale or for commercial or industrial use, the harvester is the first person other than the United States or any instrumentality thereof, the state, including its departments and institutions and political subdivisions, or any municipal corporation therein, who acquires title to or a possessory interest in the timber. The term "harvester" does not include persons performing under contract the necessary labor or mechanical services for a harvester.

(8) "Harvesting and marketing costs" means only those costs directly associated with harvesting the timber from the land and delivering it to the buyer and may include the costs of disposing of logging residues. Any other costs that are not directly and exclusively related to harvesting and marketing of the timber, such as costs of permanent roads or costs of reforesting the land following harvest, are not harvesting and marketing costs.

(9) "Incidental use" means a use of designated forestland that is compatible with its purpose for growing and harvesting timber. An incidental use may include a gravel pit, a shed or land used to store machinery or equipment used in conjunction with the timber enterprise, and any other use that does not interfere with or indicate that the forestland is no longer primarily being used to grow and harvest timber.

(10) "Local government" means any city, town, county, water-sewer district, public utility district, port district, irrigation district, flood control district, or any other municipal corporation, quasi-municipal corporation, or other political subdivision authorized to levy special benefit assessments for sanitary or storm sewerage systems, domestic water supply or distribution systems, or road construction or improvement purposes.

(11) "Local improvement district" means any local improvement district, utility local improvement district, local utility district, road improvement district, or any similar unit created by a local government for the purpose of levying special benefit assessments against property specially benefited by improvements relating to the districts.

(12) "Owner" means the party or parties having the fee interest in land, except where land is subject to a real estate contract "owner" means the contract vendee.

(13) "Primarily" or "primary use" means the existing use of the land is so prevalent that when the characteristic use of the land is evaluated any other use appears to be conflicting or nonrelated.

(14) "Short-rotation hardwoods" means hardwood trees, such as but not limited to hybrid cottonwoods, cultivated by

agricultural methods in growing cycles shorter than fifteen years.

(15) "Small harvester" means every person who from his or her own land or from the land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services, fells, cuts, or takes timber for sale or for commercial or industrial use in an amount not exceeding two million board feet in a calendar year. When the United States or any instrumentality thereof, the state, including its departments and institutions and political subdivisions, or any municipal corporation therein so fells, cuts, or takes timber for sale or for commercial or industrial use, not exceeding these amounts, the small harvester is the first person other than the United States or any instrumentality thereof, the state, including its departments and institutions and political subdivisions, or any municipal corporation therein, who acquires title to or a possessory interest in the timber. Small harvester does not include persons performing under contract the necessary labor or mechanical services for a harvester, and it does not include the harvesters of Christmas trees or short-rotation hardwoods.

(16) "Special benefit assessments" means special assessments levied or capable of being levied in any local improvement district or otherwise levied or capable of being levied by a local government to pay for all or part of the costs of a local improvement and which may be levied only for the special benefits to be realized by property by reason of that local improvement.

(17) "Stumpage value of timber" means the appropriate stumpage value shown on tables prepared by the department under RCW 84.33.091. However, for timber harvested from public land and sold under a competitive bidding process, stumpage value means the actual amount paid to the seller in cash or other consideration. The stumpage value of timber from public land does not include harvesting and marketing costs if the timber from public land is harvested by, or under contract for, the United States or any instrumentality of the United States, the state, including its departments and institutions and political subdivisions, or any municipal corporation therein. Whenever payment for the stumpage includes considerations other than cash, the value is the fair market value of the other consideration. If the other consideration is permanent roads, the value of the roads must be the appraised value as appraised by the seller.

(18) "Timber" means forest trees, standing or down, on privately or publicly owned land, and except as provided in RCW 84.33.170 includes Christmas trees and short-rotation hardwoods.

(19) "Timber assessed value" for a county means the sum of: (a) The total stumpage value of timber harvested from publicly owned land in the county multiplied by the public timber ratio, plus; (b) the total stumpage value of timber harvested from privately owned land in the county multiplied by the private timber ratio. The numerator of the public timber ratio is the rate of tax imposed by the county under RCW 84.33.051 on public timber harvests for the year of the calculation. The numerator of the private timber ratio is the rate of tax imposed by the county under RCW 84.33.051 on private timber harvests for the year of the calculation. The denominator of the private timber ratio and the public timber ratio is the composite property tax rate for the county for taxes due in the year of the calculation, expressed as a percentage of assessed value. The department must use the stumpage value of timber harvested during the most recent four calendar quarters for which the information is available. The department must calculate the timber assessed value for each county before October 1st of each year.

(20) "Timber assessed value" for a taxing district means the timber assessed value for the county multiplied by a ratio. The numerator of the ratio is the total assessed value of forestland in the taxing district. The denominator is the total assessed value of forestland in the county. As used in this section, "assessed value of forestland" means the assessed value of forestland for taxes due in the year the timber assessed value for the county is calculated plus an additional value for public forestland. The additional value for public forestland is the product of the number of acres of public forestland that are available for timber harvesting determined under RCW 84.33.089 and the average assessed value per acre of private forestland in the county.

(21) "Timber management plan" means a plan prepared by a trained forester, or any other person with adequate knowledge of timber management practices, concerning the use of the land to grow and harvest timber. Such a plan may include:

(a) A legal description of the forestland;

(b) A statement that the forestland is held in contiguous ownership of five or more acres and is primarily devoted to and used to grow and harvest timber;

(c) A brief description of the timber on the forestland or, if the timber on the land has been harvested, the owner's plan to restock the land with timber;

(d) A statement about whether the forestland is also used to graze livestock;

(e) A statement about whether the land has been used in compliance with the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW; and

(f) If the land has been recently harvested or supports a growth of brush and noncommercial type timber, a description of the owner's plan to restock the forestland within three years. [2014 c 137 § 1; 2011 c 101 § 2; 2004 c 177 § 1; 2003 c 313 § 12. Prior: 2001 c 249 § 1; 2001 c 97 § 1; 1995 c 165 § 1; 1986 c 315 § 1; 1984 c 204 § 1.]

**Findings—Severability—2003 c 313:** See notes following RCW 79.15.500.

Additional notes found at www.leg.wa.gov

**84.33.040 Timber exempt from ad valorem taxation.** Timber is exempt from ad valorem taxation. [2004 c 177 § 3; 1984 c 204 § 18; 1983 1st ex.s. c 62 § 7; 1971 ex.s. c 294 § 4.]

**Short title—Intent—Effective dates—Applicability—1983 1st ex.s. c 62:** See notes following RCW 84.36.477.

Additional notes found at www.leg.wa.gov

**84.33.041 State excise tax on harvesters of timber imposed—Credit for county tax—Deposit of moneys in timber tax distribution account.** (1) An excise tax is imposed on every person engaging in this state in business as a harvester of timber on privately or publicly owned land. The tax is equal to the stumpage value of timber harvested for

sale or for commercial or industrial use multiplied by the rate provided in this chapter.

(2) A credit is allowed against the tax imposed under this section for any tax paid under RCW 84.33.051.

(3) Moneys received as payment for the tax imposed under this section and RCW 84.33.051 shall be deposited in the timber tax distribution account hereby established in the state treasury. [1991 sp.s. c 13 § 26; 1985 c 57 § 87; 1984 c 204 § 2.]

*Use of collection agencies to collect taxes outside the state: RCW 82.32.265.*

Additional notes found at www.leg.wa.gov

**84.33.046 Excise tax rate July 1, 1988, and thereafter.** The rate of tax imposed under RCW 84.33.041 for timber harvested July 1, 1988, and thereafter, shall be five percent. [1984 c 204 § 7.]

Additional notes found at www.leg.wa.gov

**84.33.051 County excise tax on harvesters of timber authorized—Rate—Administration and collection—Deposit of moneys in timber tax distribution account—Use.** (1) The legislative body of any county may impose a tax upon every person engaging in the county in business as a harvester effective October 1, 1984. The tax shall be equal to the stumpage value of timber harvested from privately owned land multiplied by a rate of 4 percent; and equal to the stumpage value of timber harvested from publicly owned land multiplied by the following rates:

(a) For timber harvested January 1, 2005, through December 31, 2005, 1.2 percent;

(b) For timber harvested January 1, 2006, through December 31, 2006, 1.5 percent;

(c) For timber harvested January 1, 2007, through December 31, 2007, 1.8 percent;

(d) For timber harvested January 1, 2008, through December 31, 2008, 2.1 percent;

(e) For timber harvested January 1, 2009, through December 31, 2009, 2.4 percent;

(f) For timber harvested January 1, 2010, through December 31, 2010, 2.7 percent;

(g) For timber harvested January 1, 2011, through December 31, 2011, 3.1 percent;

(h) For timber harvested January 1, 2012, through December 31, 2012, 3.4 percent;

(i) For timber harvested January 1, 2013, through December 31, 2013, 3.7 percent;

(j) For timber harvested January 1, 2014, and thereafter, 4.0 percent.

(2) Before the effective date of any ordinance imposing a tax under this section, the county shall contract with the department of revenue for administration and collection of the tax. The tax collected by the department of revenue under this section shall be deposited by the department in the timber tax distribution account. Moneys in the account may be spent only for distributions to counties under RCW 84.33.081 and, after appropriation by the legislature, for the activities undertaken by the department of revenue relating to the collection and administration of the taxes imposed under this section and RCW 84.33.041. Appropriations are not required for distributions to counties under RCW 84.33.081. [2004 c 177 § 2; 1984 c 204 § 8.]

Additional notes found at www.leg.wa.gov

**84.33.074 Excise tax on harvesters of timber—Calculation of tax by small harvesters—Election—Filing form.** (1) A small harvester may elect to calculate the tax imposed by this chapter in the manner provided in this section.

(2) Timber shall be considered harvested at the time when in the ordinary course of business the quantity thereof by species is first definitely determined. The amount harvested shall be determined by the Scribner Decimal C Scale or other prevalent measuring practice adjusted to arrive at substantially equivalent measurements, as approved by the department of revenue.

(3) Timber values shall be determined by either of the following methods, whichever is most appropriate to the circumstances of the harvest:

(a) When standing timber is sold on the stump, the taxable value is the actual gross receipts received by the landowner from the sale of the standing timber.

(b) When timber is sold after it has been harvested, the taxable value is the actual gross receipts from sale of the harvested timber minus the costs of harvesting and marketing the timber. When the taxpayer is unable to provide documented proof of harvesting and marketing costs, this deduction for harvesting and marketing costs shall be a percentage of the gross receipts from sale of the harvested timber as determined by the department of revenue but in no case less than twenty-five percent.

(4) The department of revenue shall prescribe a short filing form which shall be as simple as possible. [1984 c 204 § 19; 1981 c 146 § 2.]

Additional notes found at www.leg.wa.gov

**84.33.075 Excise tax on harvesters of timber—Exemption for certain nonprofit organizations, associations, or corporations.** The excise tax imposed by this chapter shall not apply to any timber harvested by a nonprofit organization, association, or corporation from forestlands owned by it, where such lands are exempt from property taxes under RCW 84.36.030, and where all of the income and receipts of the nonprofit organization, association, or corporation derived from such timber sales are used solely for the expense of promoting, operating, and maintaining youth programs which are equally available to all, regardless of race, color, national origin, ancestry, or religious belief.

In order to determine whether the harvesting of timber by a nonprofit organization, association, or corporation is exempt, the director of the department of revenue shall have access to its books.

For the purposes of this section, a "nonprofit" organization, association, or corporation is one: (1) Which pays no part of its income directly or indirectly to its members, stockholders, officers, directors, or trustees except in the form of services rendered by the organization, association, or corporation in accordance with its purposes and bylaws; and (2) which pays salary or compensation to its officers only for actual services rendered, and at levels comparable to the salary or compensation of like positions within the public services of the state. [1984 c 204 § 20; 1980 c 134 § 6.]

Additional notes found at www.leg.wa.gov

**84.33.0775 Timber harvest tax credit.** (1) A taxpayer is allowed a credit against the tax imposed under RCW 84.33.041 for timber harvested on and after January 1, 2000, under a forest practices notification filed or application approved under RCW 76.09.050 and subject to enhanced aquatic resources requirements.

(2)(a) For a person other than a small harvester who elects to calculate tax under RCW 84.33.074, the credit is equal to the stumpage value of timber harvested for sale or for commercial or industrial use multiplied by eight-tenths of one percent.

(b) For a small harvester who elects to calculate tax under RCW 84.33.074, the credit is equal to sixteen percent of the tax imposed under this chapter.

(c) The amount of credit claimed by a taxpayer under this section shall be reduced by the amount of any compensation received from the federal government for reduced timber harvest due to enhanced aquatic resource requirements. If the amount of compensation from the federal government exceeds the amount of credit available to a taxpayer in any reporting period, the excess shall be carried forward and applied against credits in future reporting periods. This subsection does not apply to small harvesters as defined in *RCW 84.33.073.

(d) Refunds may not be given in place of credits. Credit may not be claimed in excess of tax owed. The department of revenue shall disallow any credits, used or unused, upon written notification from the department of natural resources of a final decision that timber for which credit was claimed was not harvested under a forest practices notification filed or application approved under RCW 76.09.050 and subject to enhanced aquatic resources requirements.

(3) As used in this section, a forest practices notification or application is subject to enhanced aquatic resource requirements if it includes, in whole or in part, riparian area, wetland, or steep or unstable slope from which the operator is limited, by rule adopted under RCW 76.09.055, 34.05.090, 43.21C.250, and 76.09.370, or any federally approved habitat conservation plan or department of natural resources approved watershed analysis, from harvesting timber, or if a road is included within or adjacent to the area covered by such notification or application and the road is covered by a road maintenance plan approved by the department of natural resources under rules adopted under chapter 76.09 RCW, the forest practices act, or a federally approved habitat conservation plan.

(4) For forest practices notification or applications submitted after January 1, 2000, the department of natural resources shall indicate whether the notification or application is subject to enhanced aquatic resource requirements and, unless notified of a contrary determination by the pollution control hearings board, the department of revenue shall use such indication in determining the credit to be allowed against the tax assessed under RCW 84.33.041. The department of natural resources shall develop revisions to the form of the forest practices notifications and applications to provide a space for the applicant to indicate and the department of natural resources to confirm or not confirm, whether the notification or application is subject to enhanced aquatic resource requirements. For forest practices notifications or applications submitted before January 1, 2000, the applicant may submit the approved notification or application to the department of natural resources for confirmation that the notification or application is subject to enhanced aquatic resource requirements. Upon any such submission, the department of natural resources will within thirty days confirm or deny that the notification or application is subject to enhanced aquatic resource requirements and will forward separate evidence of each confirmation to the department of revenue. Unless notified of a contrary ruling by the pollution control hearings board, the department of revenue shall use the separate confirmations in determining the credit to be allowed against the tax assessed under RCW 84.33.041.

(5) A refusal by the department of natural resources to confirm that a notification or application is subject to enhanced aquatic resources requirements may be appealed to the pollution control hearings board.

(6) A person receiving approval of credit must keep records necessary for the department of revenue to verify eligibility under this section. [2010 c 210 § 35; 1999 sp.s. c 5 § 1; 1999 sp.s. c 4 § 401.]

***Reviser's note:** RCW 84.33.073 was repealed by 2001 c 249 § 16.

**Intent—Effective dates—Application—Pending cases and rules—2010 c 210:** See notes following RCW 43.21B.001.

Additional notes found at www.leg.wa.gov

**84.33.0776 Timber harvest excise tax agreement credit.** A credit is allowed against the tax imposed under RCW 84.33.041 and 84.33.051 for a tribal tax imposed under an agreement authorized by RCW 43.06.480. [2007 c 69 § 4.]

**Findings—Intent—2007 c 69:** See note following RCW 43.06.475.

**84.33.078 Harvesting and marketing costs for state or local government harvests.** If the timber from public land is harvested by the state, its departments and institutions and political subdivisions, or any municipal corporation therein, the governmental unit, or governmental units, that harvest or market the timber must provide the harvester purchasing the timber with its harvesting and marketing costs as defined in RCW 84.33.035. [2011 c 101 § 3; 2004 c 177 § 4; 2003 c 313 § 11; 1986 c 65 § 1; 1984 c 204 § 22; 1983 1st ex.s. c 62 § 9.]

**Findings—Severability—2003 c 313:** See notes following RCW 79.15.500.

**Short title—Intent—Effective dates—Applicability—1983 1st ex.s. c 62:** See notes following RCW 84.36.477.

Additional notes found at www.leg.wa.gov

**84.33.081 Distributions from timber tax distribution account—Distributions from county timber tax account.** (1) On the last business day of the second month of each calendar quarter, the state treasurer shall distribute from the timber tax distribution account to each county the amount of tax collected on behalf of each county under RCW 84.33.051, less each county's proportionate share of appropriations for collection and administration activities under RCW 84.33.051, and shall transfer to the state general fund the amount of tax collected on behalf of the state under RCW 84.33.041, less the amount of the distribution under subsection (7) of this section and the state's proportionate share of appropriations for collection and administration activities

under RCW 84.33.041. The county treasurer shall deposit moneys received under this section in a county timber tax account which shall be established by each county. Following receipt of moneys under this section, the county treasurer shall make distributions from any moneys available in the county timber tax account to taxing districts in the county, except the state, under subsections (2) through (4) of this section.

(2) From moneys available, there first shall be a distribution to each taxing district having debt service payments due during the calendar year, based upon bonds issued under authority of a vote of the people conducted pursuant to RCW 84.52.056 and based upon excess levies for a capital project fund authorized pursuant to RCW 84.52.053, of an amount equal to the timber assessed value of the district multiplied by the tax rate levied for payment of the debt service and capital projects: PROVIDED, That in respect to levies for a debt service or capital project fund authorized before July 1, 1984, the amount allocated shall not be less than an amount equal to the same percentage of such debt service or capital project fund represented by timber tax allocations to such payments in calendar year 1984. Distribution under this subsection (2) shall be used only for debt service and capital projects payments. The distribution under this subsection shall be made as follows: One-half of such amount shall be distributed in the first quarter of the year and one-half shall be distributed in the third quarter of the year.

(3) From the moneys remaining after the distributions under subsection (2) of this section, the county treasurer shall distribute to each school district an amount equal to one-half of the timber assessed value of the district or eighty percent of the timber roll of such district in calendar year 1983 as determined under this chapter, whichever is greater, multiplied by the tax rate, if any, levied by the district under RCW 84.52.052 or 84.52.053 for purposes other than debt service payments and capital projects supported under subsection (2) of this section. The distribution under this subsection shall be made as follows: One-half of such amount shall be distributed in the first quarter of the year and one-half shall be distributed in the third quarter of the year.

(4) After the distributions directed under subsections (2) and (3) of this section, if any, each taxing district shall receive an amount equal to the timber assessed value of the district multiplied by the tax rate, if any, levied as a regular levy of the district or as a special levy not included in subsection (2) or (3) of this section.

(5) If there are insufficient moneys in the county timber tax account to make full distribution under subsection (4) of this section, the county treasurer shall multiply the amount to be distributed to each taxing district under that subsection by a fraction. The numerator of the fraction is the county timber tax account balance before making the distribution under that subsection. The denominator of the fraction is the account balance which would be required to make full distribution under that subsection.

(6) After making the distributions under subsections (2) through (4) of this section in the full amount indicated for the calendar year, the county treasurer shall place any excess revenue up to twenty percent of the total distributions made for the year under subsections (2) through (4) of this section in a reserve status until the beginning of the next calendar year. Any moneys remaining in the county timber tax account after this amount is placed in reserve shall be distributed to each taxing district in the county in the same proportions as the distributions made under subsection (4) of this section.

(7) On the last business day of the second month of each calendar quarter, the state treasurer shall distribute from the timber tax distribution account to each county an amount of tax collected by the state under RCW 84.33.041 equal to the amount of any tribal tax credited against the county's tax under an agreement entered into under RCW 43.06.480. [2007 c 69 § 5; 1985 c 184 § 1; 1984 c 204 § 9.]

**Findings—Intent—2007 c 69:** See note following RCW 43.06.475.

Additional notes found at www.leg.wa.gov

**84.33.086 Payment of tax.** (1) The taxes imposed under this chapter shall be computed with respect to timber harvested each calendar quarter and shall be due and payable in quarterly installments. Remittance shall be made on or before the last day of the month next succeeding the end of the quarterly period in which the tax accrues. The taxpayer on or before such date shall make out a return, upon such forms and setting forth such information as the department of revenue may require, showing the amount of tax for which the taxpayer is liable for the preceding quarterly period and shall sign and transmit the same to the department of revenue, together with a remittance for the amount of tax.

(2) The taxes imposed by this chapter are in addition to any taxes imposed upon the same persons under chapter 82.04 RCW.

(3) Any harvester incurring less than fifty dollars tax liability under this section in any calendar quarter is excused from the payment of such tax, but may be required by the department of revenue to file a return even though no tax may be due. [1987 c 166 § 1; 1984 c 204 § 10.]

Additional notes found at www.leg.wa.gov

**84.33.088 Reporting requirements on timber purchase.** ***(Expires September 30, 2025.)*** (1) A purchaser of privately owned timber in an amount in excess of 200,000 board feet in a voluntary sale made in the ordinary course of business must, on or before the last day of the month following the purchase of the timber, report the particulars of the purchase to the department as required in subsection (2) of this section.

(2) The report required in subsection (1) of this section must contain all information relevant to the value of the timber purchased including, but not limited to, the following, as applicable: Purchaser's name, address, and contact information; seller's name, address, and contact information; sale date; termination date in sale agreement; total sale price; legal description of sale area, sale name if applicable; forest practice application/harvest permit number if available; total acreage involved in the sale; estimated net volume of timber purchased by tree species and log grade; and description and value of property improvements. For the purposes of this subsection property improvements may include, but are not limited to: Road construction or road improvements, reforestation, land clearing, stock piling of rock, or any other agreed upon property improvement. A report may be submitted in any reasonable form or, at the purchaser's option, by submitting relevant excerpts of the timber sales contract. A pur-

chaser may comply by submitting the information in the following form:

Purchaser's name, address, and contact information:. . . . . .
Seller's name, address, and contact information: . . . . . .
Sale date: . . . . . .
Termination date: . . . . . .
Total sale price: . . . . . .
Legal description of sale area: . . . . . .
Sale name (if applicable):. . . . . .
Forest practice application/Harvest permit number (if available):. . . . . .
Total acreage involved: . . . . . .
Estimated net volume of timber purchased by tree species and log grade:. . . . . .
Description and value of property improvements, such as road construction or road improvements, reforestation, land clearing, stock piling of rock, or any other agreed upon property improvement: . . . . . .
. . . . . .

(3) A purchaser of privately owned timber involved in a purchase described in subsection (1) of this section, who fails to report a purchase as required, may be liable for a penalty of $250 for each failure to report, as determined by the department.

(4) Privately purchased timber reports are confidential taxpayer information under RCW 82.32.330.

(5) This section expires September 30, 2025. [2021 c 24 § 1; 2017 c 55 § 1; 2014 c 152 § 1; 2010 c 197 § 1; 2007 c 47 § 1; 2003 c 315 § 1; 2001 c 320 § 16.]

**Effective date—2021 c 24:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect June 30, 2021." [2021 c 24 § 2.]

Additional notes found at www.leg.wa.gov

**84.33.089 Estimates of harvestable public forestland—Adjustments.** (1) The department must estimate the number of acres of public forestland that are available for timber harvesting. The department must provide the estimates for each county and for each taxing district within each county by October 1st of each year except that the department may authorize a county, at the county's option, to make its own estimates for public forestland in that county. In estimating the number of acres, the department must use the best available information to include public land comparable to private land that qualifies as forestland for assessment purposes and exclude other public lands. The department is not required to update the estimates unless improved information becomes available. The department of natural resources must assist the department with these determinations by providing any data and information in the possession of the department of natural resources on public forestlands, broken out by county and legal description, including a detailed map of each county showing the location of the described lands. The data and information must be provided to the department by July 15th of each year. In addition, the department may contract with other parties to provide data or assistance necessary to implement this section.

(2) To accommodate the phase-in of the county forest excise tax on the harvest of timber from public lands as provided in RCW 84.33.051, the department must adjust its actual estimates of the number of acres of public forestland that are available for timber harvesting. The department must reduce its estimates for the following years by the following amounts:

(a) For calendar year 2005, 70 percent;
(b) For calendar year 2006, 62.5 percent;
(c) For calendar year 2007, 55 percent;
(d) For calendar year 2008, 47.5 percent;
(e) For calendar year 2009, 40 percent;
(f) For calendar year 2010, 32.5 percent;
(g) For calendar year 2011, 22.5 percent;
(h) For calendar year 2012, 15 percent;
(i) For calendar year 2013, 7.5 percent; and
(j) For calendar year 2014 and thereafter, the department may not reduce its estimates of the number of acres of public forestland that are available for timber harvesting. [2017 c 323 § 901; 2004 c 177 § 6.]

**Tax preference performance statement exemption—Automatic expiration date exemption—2017 c 323:** See note following RCW 82.04.040.

Additional notes found at www.leg.wa.gov

**84.33.091 Tables of stumpage values—Revised tables—Legislative review—Appeal.** (1) The department of revenue shall designate areas containing timber having similar growing, harvesting, and marketing conditions to be used as units for the preparation and application of stumpage values. Each year on or before December 31 for use the following January through June 30, and on or before June 30 for use the following July through December 31, the department shall prepare tables of stumpage values of each species or subclassification of timber within these units. The stumpage value shall be the amount that each such species or subclassification would sell for at a voluntary sale made in the ordinary course of business for purposes of immediate harvest. These stumpage values, expressed in terms of a dollar amount per thousand board feet or other unit measure, shall be determined in a manner which makes reasonable and adequate allowances for age, size, quality, costs of removal, accessibility to point of conversion, market conditions, and all other relevant factors from:

(a) Gross proceeds from sales on the stump of similar timber of like quality and character at similar locations, and in similar quantities;

(b) Gross proceeds from sales of logs adjusted to reflect only the portion of such proceeds attributable to value on the stump immediately prior to harvest; or

(c) A combination of (a) and (b) of this subsection.

(2) Upon application from any person who plans to harvest damaged timber, the stumpage values for which have been materially reduced from the values shown in the applicable tables due to damage resulting from fire, blow down, ice storm, flood, or other sudden unforeseen cause, the department shall revise the stumpage value tables for any area in which such timber is located and shall specify any additional accounting or other requirements to be complied with in reporting and paying the tax.

(3) The preliminary area designations and stumpage value tables and any revisions thereof are subject to review by the ways and means committees of the house of represen-

tatives and senate prior to finalization. Tables of stumpage values shall be signed by the director or the director's designee. A copy thereof shall be mailed to anyone who has submitted to the department a written request for a copy.

(4) On or before the sixtieth day after the date of final adoption of any stumpage value tables, any harvester may appeal to the board of tax appeals for a revision of stumpage values for an area determined pursuant to subsection (3) of this section. [1998 c 311 § 13; 1984 c 204 § 11.]

Additional notes found at www.leg.wa.gov

**84.33.096 Application of excise taxes' administrative provisions and definitions.** All sections of chapter 82.32 RCW, except RCW 82.32.045 and 82.32.270, apply to the taxes imposed under this chapter. [1984 c 204 § 13.]

Additional notes found at www.leg.wa.gov

**84.33.130 Forestland valuation—Application by owner that land be designated and valued as forestland—Hearing—Rules—Approval, denial of application—Appeal.** (1)(a)(i) Notwithstanding any other provision of law, lands that were assessed as classified forestland before July 22, 2001, or as timberland under chapter 84.34 RCW before the merger date adopted by the county under RCW 84.34.400, are designated forestland for the purposes of this chapter.

(ii) The owners of land subject to the requirements of (a)(i) of this subsection are not required to apply for designation under this chapter. The land and timber on such land must be assessed and taxed in accordance with the provisions of this chapter as of the date the land is designated forestland under (a)(i) of this subsection.

(b) If a county legislative authority opts under RCW 84.34.400 to merge its timberland classification with the designated forestland program of the county, the following provisions apply beginning on the adopted merger date:

(i) The date the property was classified as timberland is considered to be the date the property was designated as forestland under this chapter;

(ii) The county assessor must notify each owner of timberland of the merger by certified mail; and

(iii) For any forestland subject to the provisions of (b)(i) of this subsection that is then removed from designation, only compensating tax will be collected as a result of the removal in accordance with RCW 84.33.140(12), unless otherwise provided by law.

(2) An owner of land desiring that it be designated as forestland and valued under RCW 84.33.140 as of January 1st of any year must submit an application to the assessor of the county in which the land is located before January 1st of that year. The application must be accompanied by a reasonable processing fee when the county legislative authority has established the requirement for such a fee.

(3) No application of designation is required when publicly owned forestland is exchanged for privately owned forestland designated under this chapter. The land exchanged and received by an owner subject to ad valorem taxation is automatically granted designation under this chapter if the following conditions are met:

(a) The land will be used to grow and harvest timber; and

(b) The owner of the land submits a document to the assessor's office that explains the details of the forestland exchange within sixty days of the closing date of the exchange. However, if the owner fails to submit information regarding the exchange by the end of this sixty-day period, the owner must file an application for designation as forestland under this chapter and the regular application process will be followed.

(4) The application must be made upon forms prepared by the department and supplied by the assessor, and must include the following:

(a) A legal description of, or assessor's parcel numbers for, all land the applicant desires to be designated as forestland;

(b) The date or dates of acquisition of the land;

(c) A brief description of the timber on the land, or if the timber has been harvested, the owner's plan for restocking;

(d) A copy of the timber management plan, if one exists, for the land prepared by a trained forester or any other person with adequate knowledge of timber management practices;

(e) If a timber management plan exists, an explanation of the nature and extent to which the management plan has been implemented;

(f) Whether the land is used for grazing;

(g) Whether the land has been subdivided or a plat has been filed with respect to the land;

(h) Whether the land and the applicant are in compliance with the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW or any applicable rules under Title 76 RCW;

(i) Whether the land is subject to forest fire protection assessments under RCW 76.04.610;

(j) Whether the land is subject to a lease, option, or other right that permits it to be used for any purpose other than growing and harvesting timber;

(k) A summary of the past experience and activity of the applicant in growing and harvesting timber;

(l) A summary of current and continuing activity of the applicant in growing and harvesting timber;

(m) A statement that the applicant is aware of the potential tax liability involved when the land ceases to be designated as forestland;

(n) An affirmation that the statements contained in the application are true and that the land described in the application meets the definition of forestland in RCW 84.33.035; and

(o) A description and/or drawing showing what areas of land for which designation is sought are used for incidental uses compatible with the definition of forestland in RCW 84.33.035.

(5) The assessor must afford the applicant an opportunity to be heard if the applicant so requests.

(6) The assessor must act upon the application with due regard to all relevant evidence and without any one or more items of evidence necessarily being determinative, except that the application may be denied for one of the following reasons, without regard to other items:

(a) The land does not contain a "merchantable stand of timber" as defined in chapter 76.09 RCW and applicable rules. This reason alone is not sufficient to deny the application (i) if the land has been recently harvested or supports a

growth of brush or noncommercial type timber, and the application includes a plan for restocking within three years or a longer period necessitated by unavailability of seed or seedlings, or (ii) if only isolated areas within the land do not meet the minimum standards due to rock outcroppings, swamps, unproductive soil or other natural conditions;

(b) The applicant, with respect to the land, has failed to comply with a final administrative or judicial order with respect to a violation of the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW or any applicable rules under Title 76 RCW; or

(c) The land abuts a body of salt water and lies between the line of ordinary high tide and a line paralleling the ordinary high tide line and two hundred feet horizontally landward from the high tide line. However, if the assessor determines that a higher and better use exists for the land but this use would not be permitted or economically feasible by virtue of any federal, state, or local law or regulation, the land must be assessed and valued under RCW 84.33.140 without being designated as forestland.

(7) The application is deemed to have been approved unless, prior to July 1st of the year after the application was mailed or delivered to the assessor, the assessor notifies the applicant in writing of the extent to which the application is denied.

(8) An owner who receives notice that his or her application has been denied, in whole or in part, may appeal the denial to the county board of equalization in accordance with the provisions of RCW 84.40.038. [2014 c 137 § 2; 2003 c 170 § 4. Prior: 2001 c 249 § 2; 2001 c 185 § 4; 1994 c 301 § 32; 1986 c 100 § 57; 1981 c 148 § 8; 1974 ex.s. c 187 § 6; 1971 ex.s. c 294 § 13.]

**Purpose—Intent—2003 c 170:** "During the regular session of the 2001 legislature, RCW 84.33.120 was amended by section 3, chapter 185 and by section 1, chapter 305, and repealed by section 16, chapter 249, each without reference to the other. The purpose of sections 4 through 7 of this act is to resolve any uncertainty about the status of RCW 84.33.120 caused by the enactment of three changes involving RCW 84.33.120 during the 2001 regular legislative session.

(1) Chapter 249, Laws of 2001 both repealed RCW 84.33.120 and incorporated pertinent and vital parts of RCW 84.33.120 into RCW 84.33.140. The technical amendments made to RCW 84.33.120 by section 3, chapter 185, Laws of 2001 were also made to RCW 84.33.140 by section 5, chapter 185, Laws of 2001. The amendments made to RCW 84.33.120 by section 1, chapter 305, Laws of 2001 were also made to RCW 84.33.140 by section 2, chapter 305, Laws of 2001. Therefore, RCW 84.33.140 as amended during the 2001 regular legislative session embodies the pertinent and vital parts of RCW 84.33.120 and the 2001 amendments to RCW 84.33.120.

(2) The legislature intends to confirm the repeal of RCW 84.33.120, including the 2001 regular legislative session amendments to that section, as of the effective date of chapters 185, 249, and 305, Laws of 2001." [2003 c 170 § 1.]

**Purpose—2003 c 170 § 4:** "During the regular session of the 2001 legislature, RCW 84.33.130 was amended by section 4, chapter 185 and by section 2, chapter 249, each without reference to the other. The purpose of section 4 of this act is to reenact and amend RCW 84.33.130 so that it reflects all amendments made by the legislature." [2003 c 170 § 2.]

**Purpose—1981 c 148:** "(1) One of the purposes of this act is to establish the values for ad valorem tax purposes of bare forestland which is primarily devoted to and used for growing and harvesting timber without consideration of other potential uses of the land and to provide a procedure for adjusting the values in future years to reflect economic changes which may affect the value established in this act.

(2) Chapter 294, Laws of 1971 ex. sess., as originally enacted, required the department of revenue annually to analyze forestland transactions to ascertain the market value of bare forestland purchased and used exclusively for growing and harvesting timber. Most transactions involving forestland include mature and immature timber with no segregation by the parties between the amounts paid for timber and bare land. The examination of these transactions by the department to ascertain the prices being paid for only the bare land has proven to be very difficult, time-consuming, and subject to recurring legal challenge. Samples are small in relation to the total acreage of forestland involved and the administrative time and costs required for the annual analyses are excessive in relation to the changes from year to year which have been observed in the value of bare forestland. This act eliminates most of these administrative costs by establishing the current bare forestland values and by providing a procedure for periodic adjustment of the values which does not require continuing and costly analysis of the numerous forestland transactions throughout the state." [1981 c 148 § 11.]

Additional notes found at www.leg.wa.gov

**84.33.140 Forestland valuation—Notation of forestland designation upon assessment and tax rolls—Notice of continuance—Removal of designation—Compensating tax.** (1) When land has been designated as forestland under RCW 84.33.130, a notation of the designation must be made each year upon the assessment and tax rolls. A copy of the notice of approval together with the legal description or assessor's parcel numbers for the land must, at the expense of the applicant, be filed by the assessor in the same manner as deeds are recorded.

(2) In preparing the assessment roll as of January 1, 2002, for taxes payable in 2003 and each January 1st thereafter, the assessor must list each parcel of designated forestland at a value with respect to the grade and class provided in this subsection and adjusted as provided in subsection (3) of this section. The assessor must compute the assessed value of the land using the same assessment ratio applied generally in computing the assessed value of other property in the county. Values for the several grades of bare forestland are as follows:

| LAND GRADE | OPERABILITY CLASS | VALUES PER ACRE |
|---|---|---|
| | 1 | $234 |
| 1 | 2 | 229 |
| | 3 | 217 |
| | 4 | 157 |
| | 1 | 198 |
| 2 | 2 | 190 |
| | 3 | 183 |
| | 4 | 132 |
| | 1 | 154 |
| 3 | 2 | 149 |
| | 3 | 148 |
| | 4 | 113 |
| | 1 | 117 |
| 4 | 2 | 114 |
| | 3 | 113 |
| | 4 | 86 |
| | 1 | 85 |
| 5 | 2 | 78 |
| | 3 | 77 |
| | 4 | 52 |

| LAND GRADE | OPERABILITY CLASS | VALUES PER ACRE |
|---|---|---|
| | 1 | 43 |
| 6 | 2 | 39 |
| | 3 | 39 |
| | 4 | 37 |
| | 1 | 21 |
| 7 | 2 | 21 |
| | 3 | 20 |
| | 4 | 20 |
| 8 | | 1 |

(3) On or before December 31, 2001, the department must adjust by rule under chapter 34.05 RCW, the forestland values contained in subsection (2) of this section in accordance with this subsection, and must certify the adjusted values to the assessor who will use these values in preparing the assessment roll as of January 1, 2002. For the adjustment to be made on or before December 31, 2001, for use in the 2002 assessment year, the department must:

(a) Divide the aggregate value of all timber harvested within the state between July 1, 1996, and June 30, 2001, by the aggregate harvest volume for the same period, as determined from the harvester excise tax returns filed with the department under RCW 84.33.074; and

(b) Divide the aggregate value of all timber harvested within the state between July 1, 1995, and June 30, 2000, by the aggregate harvest volume for the same period, as determined from the harvester excise tax returns filed with the department under RCW 84.33.074; and

(c) Adjust the forestland values contained in subsection (2) of this section by a percentage equal to one-half of the percentage change in the average values of harvested timber reflected by comparing the resultant values calculated under (a) and (b) of this subsection.

(4) For the adjustments to be made on or before December 31, 2002, and each succeeding year thereafter, the same procedure described in subsection (3) of this section must be followed using harvester excise tax returns filed under RCW 84.33.074. However, this adjustment must be made to the prior year's adjusted value, and the five-year periods for calculating average harvested timber values must be successively one year more recent.

(5) Land graded, assessed, and valued as forestland must continue to be so graded, assessed, and valued until removal of designation by the assessor upon the occurrence of any of the following:

(a) Receipt of notice of request to withdraw land classified under RCW 84.34.020(3) within two years before the date of the merger under RCW 84.34.400. Land previously classified under chapter 84.34 RCW will be removed under the provisions of this chapter when two assessment years have passed following receipt of the notice as described in RCW 84.34.070(1);

(b) Receipt of notice from the owner to remove the designation;

(c) Sale or transfer to an ownership making the land exempt from ad valorem taxation;

(d) Sale or transfer of all or a portion of the land to a new owner, unless the new owner has signed a notice of forestland designation continuance, except transfer to an owner who is an heir or devisee of a deceased owner or transfer by a transfer on death deed, does not, by itself, result in removal of designation. The signed notice of continuance must be attached to the real estate excise tax affidavit provided for in RCW 82.45.150. The notice of continuance must be on a form prepared by the department. If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all compensating taxes calculated under subsection (11) of this section are due and payable by the seller or transferor at time of sale. The auditor may not accept an instrument of conveyance regarding designated forestland for filing or recording unless the new owner has signed the notice of continuance or the compensating tax has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection (11) of this section to the county board of equalization in accordance with the provisions of RCW 84.40.038. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals;

(e) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that:

(i) The land is no longer primarily devoted to and used for growing and harvesting timber. However, land may not be removed from designation if a governmental agency, organization, or other recipient identified in subsection (13) or (14) of this section as exempt from the payment of compensating tax has manifested its intent in writing or by other official action to acquire a property interest in the designated forestland by means of a transaction that qualifies for an exemption under subsection (13) or (14) of this section. The governmental agency, organization, or recipient must annually provide the assessor of the county in which the land is located reasonable evidence in writing of the intent to acquire the designated land as long as the intent continues or within sixty days of a request by the assessor. The assessor may not request this evidence more than once in a calendar year;

(ii) The owner has failed to comply with a final administrative or judicial order with respect to a violation of the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW or any applicable rules under Title 76 RCW; or

(iii) Restocking has not occurred to the extent or within the time specified in the application for designation of such land.

(6) Land may not be removed from designation if there is a governmental restriction that prohibits, in whole or in part, the owner from harvesting timber from the owner's designated forestland. If only a portion of the parcel is impacted by governmental restrictions of this nature, the restrictions cannot be used as a basis to remove the remainder of the forestland from designation under this chapter. For the purposes of this section, "governmental restrictions" includes: (a) Any law, regulation, rule, ordinance, program, or other action adopted or taken by a federal, state, county, city, or other governmental entity; or (b) the land's zoning or its presence within an urban growth area designated under RCW 36.70A.110.

(7) The assessor has the option of requiring an owner of forestland to file a timber management plan with the assessor upon the occurrence of one of the following:

(a) An application for designation as forestland is submitted;

(b) Designated forestland is sold or transferred and a notice of continuance, described in subsection (5)(d) of this section, is signed; or

(c) The assessor has reason to believe that forestland sized less than twenty acres is no longer primarily devoted to and used for growing and harvesting timber. The assessor may require a timber management plan to assist with determining continuing eligibility as designated forestland.

(8) If land is removed from designation because of any of the circumstances listed in subsection (5)(a) through (d) of this section, the removal applies only to the land affected. If land is removed from designation because of subsection (5)(e) of this section, the removal applies only to the actual area of land that is no longer primarily devoted to the growing and harvesting of timber, without regard to any other land that may have been included in the application and approved for designation, as long as the remaining designated forestland meets the definition of forestland contained in RCW 84.33.035.

(9) Within thirty days after the removal of designation as forestland, the assessor must notify the owner in writing, setting forth the reasons for the removal. The seller, transferor, or owner may appeal the removal to the county board of equalization in accordance with the provisions of RCW 84.40.038.

(10) Unless the removal is reversed on appeal a copy of the notice of removal with a notation of the action, if any, upon appeal, together with the legal description or assessor's parcel numbers for the land removed from designation must, at the expense of the applicant, be filed by the assessor in the same manner as deeds are recorded and a notation of removal from designation must immediately be made upon the assessment and tax rolls. The assessor must revalue the land to be removed with reference to its true and fair value as of January 1st of the year of removal from designation. Both the assessed value before and after the removal of designation must be listed. Taxes based on the value of the land as forestland are assessed and payable up until the date of removal and taxes based on the true and fair value of the land are assessed and payable from the date of removal from designation.

(11) Except as provided otherwise in this section, a compensating tax is imposed on land removed from designation as forestland. The compensating tax is due and payable to the treasurer thirty days after the owner is notified of the amount of this tax. As soon as possible after the land is removed from designation, the assessor must compute the amount of compensating tax, and the treasurer must mail a notice to the owner of the amount of compensating tax owed and the date on which payment of this tax is due. The amount of compensating tax is equal to the difference between the amount of tax last levied on the land as designated forestland and an amount equal to the new assessed value of the land multiplied by the dollar rate of the last levy extended against the land, multiplied by a number, in no event greater than nine, equal to the number of years for which the land was designated as forestland, plus compensating taxes on the land at forestland values up until the date of removal and the prorated taxes on the land at true and fair value from the date of removal to the end of the current tax year.

(12) Compensating tax, together with applicable interest thereon, becomes a lien on the land, which attaches at the time the land is removed from designation as forestland and has priority and must be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the land may become charged or liable. The lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes as provided in RCW 84.64.050. Any compensating tax unpaid on its due date will thereupon become delinquent. From the date of delinquency until paid, interest is charged at the same rate applied by law to delinquent ad valorem property taxes.

(13) The compensating tax specified in subsection (11) of this section may not be imposed if the removal of designation under subsection (5) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other forestland located within the state of Washington;

(b)(i) A taking through the exercise of the power of eminent domain, or (ii) a sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power based on official action taken by the entity and confirmed in writing;

(c) A donation of fee title, development rights, or the right to harvest timber, to a government agency or organization qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections, or the sale or transfer of fee title to a governmental entity or a nonprofit nature conservancy corporation, as defined in RCW 64.04.130, exclusively for the protection and conservation of lands recommended for state natural area preserve purposes by the natural heritage council and natural heritage plan as defined in chapter 79.70 RCW or approved for state natural resources conservation area purposes as defined in chapter 79.71 RCW, or for acquisition and management as a community forest trust as defined in chapter 79.155 RCW. At such time as the land is not used for the purposes enumerated, the compensating tax specified in subsection (11) of this section is imposed upon the current owner;

(d) The sale or transfer of fee title to the parks and recreation commission for park and recreation purposes;

(e) Official action by an agency of the state of Washington or by the county or city within which the land is located that disallows the present use of the land;

(f) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120;

(g) The creation, sale, or transfer of a conservation easement of private forestlands within unconfined channel migration zones or containing critical habitat for threatened or endangered species under RCW 76.09.040;

(h) The sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forestland, designated as forestland under this chapter, or classified under chapter 84.34 RCW continuously since 1993. The

date of death shown on a death certificate is the date used for the purposes of this subsection (13)(h); or

(i)(i) The discovery that the land was designated under this chapter in error through no fault of the owner. For purposes of this subsection (13)(i), "fault" means a knowingly false or misleading statement, or other act or omission not in good faith, that contributed to the approval of designation under this chapter or the failure of the assessor to remove the land from designation under this chapter.

(ii) For purposes of this subsection (13), the discovery that land was designated under this chapter in error through no fault of the owner is not the sole reason for removal of designation under subsection (5) of this section if an independent basis for removal exists. An example of an independent basis for removal includes the land no longer being devoted to and used for growing and harvesting timber.

(14) In a county with a population of more than six hundred thousand inhabitants or in a county with a population of at least two hundred forty-five thousand inhabitants that borders Puget Sound as defined in RCW 90.71.010, the compensating tax specified in subsection (11) of this section may not be imposed if the removal of designation as forestland under subsection (5) of this section resulted solely from:

(a) An action described in subsection (13) of this section; or

(b) A transfer of a property interest to a government entity, or to a nonprofit historic preservation corporation or nonprofit nature conservancy corporation, as defined in RCW 64.04.130, to protect or enhance public resources, or to preserve, maintain, improve, restore, limit the future use of, or otherwise to conserve for public use or enjoyment, the property interest being transferred. At such time as the property interest is not used for the purposes enumerated, the compensating tax is imposed upon the current owner.

(15) Compensating tax authorized in this section may not be imposed on land removed from designation as forestland solely as a result of a natural disaster such as a flood, windstorm, earthquake, wildfire, or other such calamity rather than by virtue of the act of the landowner changing the use of the property. [2017 3rd sp.s. c 37 § 1002. Prior: 2014 c 137 § 3; 2014 c 97 § 309; 2014 c 58 § 27; 2013 2nd sp.s. c 11 § 13; 2012 c 170 § 1; prior: 2009 c 354 § 2; 2009 c 255 § 3; 2009 c 246 § 2; 2007 c 54 § 24; 2005 c 303 § 13; 2003 c 170 § 5; prior: 2001 c 305 § 2; 2001 c 249 § 3; 2001 c 185 § 5; 1999 sp.s. c 4 § 703; 1999 c 233 § 21; 1997 c 299 § 2; 1995 c 330 § 2; 1992 c 69 § 2; 1986 c 238 § 2; 1981 c 148 § 9; 1980 c 134 § 3; 1974 ex.s. c 187 § 7; 1973 1st ex.s. c 195 § 93; 1972 ex.s. c 148 § 6; 1971 ex.s. c 294 § 14.]

**Tax preference performance statement and expiration—2017 3rd sp.s. c 37 §§ 1001 and 1002:** See note following RCW 84.34.108.

**Effective date—2017 3rd sp.s. c 37 §§ 301, 302, and 1001-1003:** See note following RCW 82.04.628.

**Uniformity of application and construction—Relation to electronic signatures in global and national commerce act—2014 c 58:** See RCW 64.80.903 and 64.80.904.

**Finding—Intent—2009 c 354:** "(1) The legislature finds that the revenue generated from state forestlands is a vital component of the operating budget in many rural counties. The dependence on a natural resource-based economy is especially underscored in counties with lower population levels and large holdings of public land. The high cost of compliance with the federal endangered species act on state forestlands within these smaller counties is disproportionately burdensome when compared to their total county budgets.

(2) The intent of this act is to provide sustainable revenue to smaller counties that are heavily dependent on state forestland revenues while promoting long-term protection, conservation, and recovery of marbled murrelets and northern spotted owls. This act provides the necessary tools for the state to maintain long-term working forests by replacing state forestlands with endangered species-based harvest encumbrances with productive, working forestlands." [2009 c 354 § 6.]

**Purpose—Intent—2003 c 170:** See note following RCW 84.33.130.

**Purpose—Severability—Effective dates—1981 c 148:** See notes following RCW 84.33.130.

Additional notes found at www.leg.wa.gov

**84.33.145 Compensating tax.** (1) If no later than thirty days after removal of designation under this chapter the owner applies for classification under:

(a) RCW 84.34.020(1);

(b) RCW 84.34.020(2); or

(c) RCW 84.34.020(3), unless the timberland classification and designated forestland program are merged under RCW 84.34.400, then, for the purposes of (a), (b), or (c) of this subsection, the designated forestland may not be considered removed from designation for purposes of the compensating tax under RCW 84.33.140 until the application for current use classification under chapter 84.34 RCW is denied or the property is removed from classification under RCW 84.34.108.

(2) Upon removal of classification under RCW 84.34.108, the amount of compensating tax due under this chapter is equal to:

(a) The difference, if any, between the amount of tax last levied on the land as designated forestland and an amount equal to the new assessed valuation of the land when removed from classification under RCW 84.34.108 multiplied by the dollar rate of the last levy extended against the land, multiplied by

(b) A number equal to:

(i) The number of years the land was designated under this chapter, if the total number of years the land was designated under this chapter and classified under chapter 84.34 RCW is less than ten; or

(ii) Ten minus the number of years the land was classified under chapter 84.34 RCW, if the total number of years the land was designated under this chapter and classified under chapter 84.34 RCW is at least ten.

(3) Nothing in this section authorizes the continued designation under this chapter or defers or reduces the compensating tax imposed upon forestland not transferred to classification under subsection (1) of this section that does not meet the definition of forestland under RCW 84.33.035. Nothing in this section affects the additional tax imposed under RCW 84.34.108.

(4) In a county with a population of more than six hundred thousand inhabitants or in a county with a population of at least two hundred forty-five thousand inhabitants that borders Puget Sound as defined in RCW 90.71.010, no amount of compensating tax is due under this section if the removal from classification under RCW 84.34.108 results from a transfer of property described in RCW 84.34.108(6). [2014 c 137 § 4; 2012 c 170 § 2; 2009 c 354 § 4; 2001 c 249 § 4; 1999 sp.s. c 4 § 704; 1997 c 299 § 3; 1992 c 69 § 3; 1986 c 315 § 3.]

**Finding—Intent—2009 c 354:** See note following RCW 84.33.140.

Additional notes found at www.leg.wa.gov

**84.33.170 Application of chapter to Christmas trees.** Notwithstanding any provision of this chapter to the contrary, this chapter shall not exempt from the ad valorem tax nor subject to the excise tax imposed by this chapter, Christmas trees and short-rotation hardwoods, which are cultivated by agricultural methods, and the land on which the Christmas trees and short-rotation hardwoods stand shall not be taxed as provided in RCW 84.33.140. However, short-rotation hardwoods, which are cultivated by agricultural methods, on land classified as timberland under chapter 84.34 RCW, shall be subject to the excise tax imposed under this chapter. [2001 c 249 § 5; 1995 c 165 § 2; 1984 c 204 § 24; 1983 c 3 § 226; 1971 ex.s. c 294 § 17.]

Additional notes found at www.leg.wa.gov

**84.33.175 Application of tax—Sale of land to governmental agency with reservation of rights to timber—Conveyance by governmental agency of trees.** The excise tax imposed under this chapter applies to forest trees harvested after April 4, 1986, from lands sold to any governmental agency by warranty deed or contract where the seller reserved to itself the right to take all merchantable timber for a specific period of years, or in perpetuity, and to forest trees harvested after April 4, 1986, that any governmental agency, by quit claim deed, as partial consideration for payment of the purchase price, conveyed for a specific period of years, or in perpetuity, all forest trees, standing, growing, or lying on the described land, to the taxpayer, regardless of the date on which the contract was entered. [1986 c 315 § 8.]

**84.33.200 Legislative review of timber tax system—Information and data to be furnished.** (1) The legislature shall review the system of distribution and allocation of all timber excise tax revenues in January 1975 and each year thereafter to provide a uniform and equitable distribution and allocation of such revenues to the state and local taxing districts.

(2) In order to allow legislative review of the rules to be adopted by the department of revenue establishing the stumpage values provided for in RCW 84.33.091, such rules shall be effective not less than thirty days after transmitting to the staffs of the senate and house ways and means committees (or their successor committees) the same proposed rules as have been previously filed with the office of the code reviser pursuant to RCW 34.05.320.

(3) The department of revenue and the department of natural resources shall make available to the revenue committees of the senate and house of representatives of the state legislature information and data, as it may be available, pertaining to the status of forestland grading throughout the state, the collection of timber excise tax revenues, the distribution and allocation of timber excise tax revenues to the state and local taxing districts, and any other information as may be necessary for the proper legislative review and implementation of the timber excise tax system, and in addition, the departments shall provide an annual report of such matters in January of each year to such committees. [2001 c 320 § 17; 1998 c 245 § 170; 1989 c 175 § 179; 1984 c 204 § 25; 1979 c 6 § 4; 1974 ex.s. c 187 § 9.]

Additional notes found at www.leg.wa.gov

**84.33.210 Forestland valuation—Special benefit assessments.** (1) Any land that is designated as forestland under this chapter at the earlier of the times the legislative authority of a local government adopts a resolution, ordinance, or legislative act (a) to create a local improvement district, in which the land is included or would have been included but for the designation, or (b) to approve or confirm a final special benefit assessment roll relating to a sanitary or storm sewerage system, domestic water supply or distribution system, or road construction or improvement, which roll would have included the land but for the designation, shall be exempt from special benefit assessments, charges in lieu of assessment, or rates and charges for stormwater control facilities under RCW 36.89.080 for such purposes as long as that land remains designated as forestland, except as otherwise provided in RCW 84.33.250.

(2) Whenever a local government creates a local improvement district, the levying, collection, and enforcement of assessments shall be in the manner and subject to the same procedures and limitations as are provided under the law concerning the initiation and formation of local improvement districts for the particular local government. Notice of the creation of a local improvement district that includes designated forestland shall be filed with the assessor and the legislative authority of the county in which the land is located. The assessor, upon receiving notice of the creation of a local improvement district, shall send a notice to the owners of the designated forestlands listed on the tax rolls of the applicable treasurer of:

(a) The creation of the local improvement district;

(b) The exemption of that land from special benefit assessments;

(c) The fact that the designated forestland may become subject to the special benefit assessments if the owner waives the exemption by filing a notarized document with the governing body of the local government creating the local improvement district before the confirmation of the final special benefit assessment roll; and

(d) The potential liability, pursuant to RCW 84.33.220, if the exemption is not waived and the land is subsequently removed from designated forestland status.

(3) When a local government approves and confirms a special benefit assessment roll, from which designated forestland has been exempted under this section, it shall file a notice of this action with the assessor and the legislative authority of the county in which the land is located and with the treasurer of that local government. The notice shall describe the action taken, the type of improvement involved, the land exempted, and the amount of the special benefit assessment that would have been levied against the land if it had not been exempted. The filing of the notice with the assessor and the treasurer of that local government shall constitute constructive notice to a purchaser or encumbrancer of the affected land, and every person whose conveyance or encumbrance is subsequently executed or subsequently recorded, that the exempt land is subject to the charges provided in RCW 84.33.220 and 84.33.230, if the land is removed from its designation as forestland.

(4) The owner of the land exempted from special benefit assessments under this section may waive that exemption by filing a notarized document to that effect with the legislative

authority of the local government upon receiving notice from said local government concerning the assessment roll hearing and before the local government confirms the final special benefit assessment roll. A copy of that waiver shall be filed by the local government with the assessor, but the failure to file this copy shall not affect the waiver.

(5) Except to the extent provided in RCW 84.33.250, the local government shall have no duty to furnish service from the improvement financed by the special benefit assessment to the exempted land. [2003 c 394 § 7; 2001 c 249 § 6; 1992 c 52 § 7.]

**84.33.220 Forestland valuation—Withdrawal from designation or change in use—Liability.** Whenever forestland has been exempted from special benefit assessments under RCW 84.33.210, any removal from designation or change in use from forestland under this chapter shall result in the following:

(1) If the bonds used to fund the improvement in the local improvement district have not been completely retired, the land shall immediately become liable for:

(a) The amount of the special benefit assessment listed in the notice provided for in RCW 84.33.210; plus

(b) Interest on the amount determined in (a) of this subsection, compounded annually at a rate equal to the average rate of inflation from the time the initial notice is filed by the governmental entity that created the local improvement district as provided in RCW 84.33.210, to the time the owner or the assessor removes the land from the exemption category provided by this chapter; or

(2) If the bonds used to fund the improvement in the local improvement district have been completely retired, the land shall immediately become liable for:

(a) The amount of the special benefit assessment listed in the notice provided for in RCW 84.33.210; plus

(b) Interest on the amount determined in (a) of this subsection compounded annually at a rate equal to the average rate of inflation from the time the initial notice is filed by the governmental entity that created the local improvement district as provided in RCW 84.33.210, to the time the bonds used to fund the improvement have been retired; plus

(c) Interest on the total amount determined in (a) and (b) of this subsection at a simple per annum rate equal to the average rate of inflation from the time the bonds used to fund the improvement have been retired to the time the owner or the assessor removes the land from the exemption category provided by this chapter;

(3) The amount payable under this section shall become due on the date the land is removed from its forestland designation. This amount shall be a lien on the land prior and superior to any other lien whatsoever except for the lien for general taxes, and shall be enforceable in the same manner as the collection of special benefit assessments are enforced by that local government. [2001 c 249 § 7; 1992 c 52 § 8.]

**84.33.230 Forestland valuation—Change in designation—Notice.** Whenever forestland is removed from its forestland designation, the assessor of the county in which the land is located shall forthwith give written notice of the removal to the local government or its successor that filed with the assessor the notice required by RCW 84.33.210. Upon receipt of the notice from the assessor, the local government shall mail a written statement to the owner of the land for the amounts payable as provided in RCW 84.33.220. The amounts due shall be delinquent if not paid within one hundred eighty days after the date of mailing of the statement. The amount payable shall be subject to the same interest, penalties, lien priority, and enforcement procedures that are applicable to delinquent assessments on the assessment roll from which that land had been exempted, except that the rate of interest charged shall not exceed the rate provided in RCW 84.33.220. [2001 c 249 § 8; 1992 c 52 § 9.]

**84.33.240 Forestland valuation—Change in classification or use—Application of payments.** Payments collected pursuant to RCW 84.33.220 and 84.33.230, or by enforcement procedures referred to therein, after the payment of the expenses of their collection, shall first be applied to the payment of general or special debt incurred to finance the improvements related to the special benefit assessments, and, if such debt is retired, then into the maintenance fund or general fund of the governmental entity that created the local improvement district, or its successor, for any of the following purposes: (1) Redemption or servicing of outstanding obligations of the district; (2) maintenance expenses of the district; or (3) construction or acquisition of any facilities necessary to carry out the purpose of the district. [1992 c 52 § 10.]

**84.33.250 Forestland valuation—Special benefit assessments.** The department shall adopt rules it shall deem necessary to implement RCW 84.33.210 through 84.33.270, which shall include, but not be limited to, procedures to determine the extent to which a portion of the land otherwise exempt may be subject to a special benefit assessment for: (1) The actual connection to the domestic water system or sewerage facilities; (2) access to the road improvement in relation to its value as forestland as distinguished from its value under more intensive uses; and (3) the lands that benefit from or cause the need for a local improvement district. The provision for limited special benefit assessments shall not relieve the land from liability for the amounts provided in RCW 84.33.220 and 84.33.230 when the land is removed from its forestland designation. [2001 c 249 § 9; 1992 c 52 § 11.]

**84.33.260 Forestland valuation—Withdrawal from designation or change in use—Benefit assessments.** Whenever a portion of a parcel of land that was designated as forestland under this chapter is removed from designation or there is a change in use, and the land has been exempted from any benefit assessments under RCW 84.33.210, the previously exempt benefit assessments shall become due on only that portion of the land that is removed or changed in use. [2001 c 249 § 10; 1992 c 52 § 12.]

**84.33.270 Forestland valuation—Government future development right—Conserving forestland—Exemptions.** (1) Forestland on which the right of future development has been acquired by any local government, the state of Washington, or the United States government shall be exempt from special benefit assessments in lieu of assessment for the purposes in the same manner, and under the

same liabilities for payment and interest, as land designated under this chapter as forestland, for as long as the designation applies.

(2) Any interest, development right, easement, covenant, or other contractual right that effectively protects, preserves, maintains, improves, restores, prevents the future nonforest use of, or otherwise conserves forestland shall be exempt from special benefit assessments as long as the development right or other interest effectively serves to prevent nonforest development of the land. [2001 c 249 § 11; 1992 c 52 § 13.]

**84.33.280 Applicant for forestry riparian easement program—Department to rely on certain documents.** The department shall, when contacted by the department of natural resources under RCW 76.13.160, rely on submitted tax-related documents to confirm or deny that an applicant for the forest [forestry] riparian easement program established in RCW 76.13.120 satisfies the definition of a small forestland owner, as that term is defined in RCW 76.13.120. Nothing in this section, or RCW 76.13.160, prohibits the department from providing the department of natural resources with aggregate or general information. [2004 c 102 § 3.]

## Chapter 84.34 RCW
## OPEN SPACE, AGRICULTURAL, TIMBERLANDS—CURRENT USE—CONSERVATION FUTURES

Sections



*Conservation futures on agricultural land—Property tax exemption: RCW 84.36.260, 84.36.500.*

**84.34.010 Legislative declaration.** The legislature hereby declares that it is in the best interest of the state to maintain, preserve, conserve and otherwise continue in existence adequate open space lands for the production of food, fiber and forest crops, and to assure the use and enjoyment of natural resources and scenic beauty for the economic and social well-being of the state and its citizens. The legislature further declares that assessment practices must be so designed as to permit the continued availability of open space lands for these purposes, and it is the intent of this chapter so to provide. The legislature further declares its intent that farm and agricultural lands shall be valued on the basis of their value for use as authorized by section 11 of Article VII of the Constitution of the state of Washington. [1973 1st ex.s. c 212 § 1; 1970 ex.s. c 87 § 1.]

**84.34.020 Definitions.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Open space land" means (a) any land area so designated by an official comprehensive land use plan adopted by any city or county and zoned accordingly, or (b) any land area, the preservation of which in its present use would (i) conserve and enhance natural or scenic resources, or (ii) protect streams or water supply, or (iii) promote conservation of

soils, wetlands, beaches or tidal marshes, or (iv) enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or other open space, or (v) enhance recreation opportunities, or (vi) preserve historic sites, or (vii) preserve visual quality along highway, road, and street corridors or scenic vistas, or (viii) retain in its natural state tracts of land not less than one acre situated in an urban area and open to public use on such conditions as may be reasonably required by the legislative body granting the open space classification, or (c) any land meeting the definition of farm and agricultural conservation land under subsection (8) of this section. As a condition of granting open space classification, the legislative body may not require public access on land classified under (b)(iii) of this subsection for the purpose of promoting conservation of wetlands.

(2) "Farm and agricultural land" means:

(a) Any parcel of land that is twenty or more acres or multiple parcels of land that are contiguous and total twenty or more acres:

(i) Devoted primarily to the production of livestock or agricultural commodities for commercial purposes;

(ii) Enrolled in the federal conservation reserve program or its successor administered by the United States department of agriculture; or

(iii) Other similar commercial activities as may be established by rule;

(b)(i) Any parcel of land that is five acres or more but less than twenty acres devoted primarily to agricultural uses, which has produced a gross income from agricultural uses equivalent to, as of January 1, 1993:

(A) One hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter for all parcels of land that are classified under this subsection or all parcels of land for which an application for classification under this subsection is made with the granting authority prior to January 1, 1993; and

(B) On or after January 1, 1993, two hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter;

(ii) For the purposes of (b)(i) of this subsection, "gross income from agricultural uses" includes, but is not limited to, the wholesale value of agricultural products donated to nonprofit food banks or feeding programs;

(c) Any parcel of land of less than five acres devoted primarily to agricultural uses which has produced a gross income as of January 1, 1993, of:

(i) One thousand dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter for all parcels of land that are classified under this subsection or all parcels of land for which an application for classification under this subsection is made with the granting authority prior to January 1, 1993; and

(ii) On or after January 1, 1993, fifteen hundred dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter. Parcels of land described in (b)(i)(A) and (c)(i) of this subsection will, upon any transfer of the property excluding a transfer to a surviving spouse or surviving state registered domestic partner, be subject to the limits of (b)(i)(B) and (c)(ii) of this subsection;

(d) Any parcel of land that is five acres or more but less than twenty acres devoted primarily to agricultural uses, which meet one of the following criteria:

(i) Has produced a gross income from agricultural uses equivalent to two hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter;

(ii) Has standing crops with an expectation of harvest within seven years, except as provided in (d)(iii) of this subsection, and a demonstrable investment in the production of those crops equivalent to one hundred dollars or more per acre in the current or previous calendar year. For the purposes of this subsection (2)(d)(ii), "standing crop" means Christmas trees, vineyards, fruit trees, or other perennial crops that: (A) Are planted using agricultural methods normally used in the commercial production of that particular crop; and (B) typically do not produce harvestable quantities in the initial years after planting; or

(iii) Has a standing crop of short rotation hardwoods with an expectation of harvest within fifteen years and a demonstrable investment in the production of those crops equivalent to one hundred dollars or more per acre in the current or previous calendar year;

(e) Any lands including incidental uses as are compatible with agricultural purposes, including wetlands preservation, provided such incidental use does not exceed twenty percent of the classified land and the land on which appurtenances necessary to the production, preparation, or sale of the agricultural products exist in conjunction with the lands producing such products. Agricultural lands also include any parcel of land of one to five acres, which is not contiguous, but which otherwise constitutes an integral part of farming operations being conducted on land qualifying under this section as "farm and agricultural lands";

(f) The land on which housing for employees and the principal place of residence of the farm operator or owner of land classified pursuant to (a) of this subsection is sited if: The housing or residence is on or contiguous to the classified parcel; and the use of the housing or the residence is integral to the use of the classified land for agricultural purposes;

(g) Any land that is used primarily for equestrian related activities for which a charge is made, including, but not limited to, stabling, training, riding, clinics, schooling, shows, or grazing for feed and that otherwise meet the requirements of (a), (b), or (c) of this subsection; or

(h) Any land primarily used for commercial horticultural purposes, including growing seedlings, trees, shrubs, vines, fruits, vegetables, flowers, herbs, and other plants in containers, whether under a structure or not, subject to the following:

(i) The land is not primarily used for the storage, care, or selling of plants purchased from other growers for retail sale;

(ii) If the land is less than five acres and used primarily to grow plants in containers, such land does not qualify as "farm and agricultural land" if more than twenty-five percent of the land used primarily to grow plants in containers is open to the general public for on-site retail sales;

(iii) If more than twenty percent of the land used for growing plants in containers qualifying under this subsection

(2)(h) is covered by pavement, none of the paved area is eligible for classification as "farm and agricultural land" under this subsection (2)(h). The eligibility limitations described in this subsection (2)(h)(iii) do not affect the land's eligibility to qualify under (e) of this subsection; and

(iv) If the land classified under this subsection (2)(h), in addition to any contiguous land classified under this subsection, is less than twenty acres, it must meet the applicable income or investment requirements in (b), (c), or (d) of this subsection.

(3) "Timberland" means any parcel of land that is five or more acres or multiple parcels of land that are contiguous and total five or more acres which is or are devoted primarily to the growth and harvest of timber for commercial purposes. Timberland means the land only and does not include a residential homesite. The term includes land used for incidental uses that are compatible with the growing and harvesting of timber but no more than ten percent of the land may be used for such incidental uses. It also includes the land on which appurtenances necessary for the production, preparation, or sale of the timber products exist in conjunction with land producing these products.

(4) "Current" or "currently" means as of the date on which property is to be listed and valued by the assessor.

(5) "Owner" means the party or parties having the fee interest in land, except that where land is subject to real estate contract "owner" means the contract vendee.

(6)(a) "Contiguous" means land adjoining and touching other property held by the same ownership. Land divided by a public road, but otherwise an integral part of a farming operation, is considered contiguous.

(b) For purposes of this subsection (6):

(i) "Same ownership" means owned by the same person or persons, except that parcels owned by different persons are deemed held by the same ownership if the parcels are:

(A) Managed as part of a single operation; and

(B) Owned by:

(I) Members of the same family;

(II) Legal entities that are wholly owned by members of the same family; or

(III) An individual who owns at least one of the parcels and a legal entity or entities that own the other parcel or parcels if the entity or entities are wholly owned by that individual, members of his or her family, or that individual and members of his or her family.

(ii) "Family" includes only:

(A) An individual and his or her spouse or domestic partner, child, stepchild, adopted child, grandchild, parent, stepparent, grandparent, cousin, or sibling;

(B) The spouse or domestic partner of an individual's child, stepchild, adopted child, grandchild, parent, stepparent, grandparent, cousin, or sibling;

(C) A child, stepchild, adopted child, grandchild, parent, stepparent, grandparent, cousin, or sibling of the individual's spouse or the individual's domestic partner; and

(D) The spouse or domestic partner of any individual described in (b)(ii)(C) of this subsection (6).

(7) "Granting authority" means the appropriate agency or official who acts on an application for classification of land pursuant to this chapter.

(8) "Farm and agricultural conservation land" means either:

(a) Land that was previously classified under subsection (2) of this section, that no longer meets the criteria of subsection (2) of this section, and that is reclassified under subsection (1) of this section; or

(b) Land that is traditional farmland that is not classified under chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a use inconsistent with agricultural uses, and that has a high potential for returning to commercial agriculture. [2014 c 125 § 2; 2011 c 101 § 1; 2010 c 106 § 304. Prior: 2009 c 513 § 1; 2009 c 255 § 1; 2005 c 57 § 1; 2004 c 217 § 1; 2002 c 315 § 1; 2001 c 249 § 12; 1998 c 320 § 7; 1997 c 429 § 31; 1992 c 69 § 4; 1988 c 253 § 3; 1983 c 3 § 227; 1973 1st ex.s. c 212 § 2; 1970 ex.s. c 87 § 2.]

**Intent—2014 c 125:** "The legislature intends to clarify and update the description of farm and agricultural land as it is used under the property tax open space program. Modern technology and water quality and labor regulations have all caused nurseries to increasingly grow plants in containers rather than in the ground. Growing plants in containers preserves topsoil, allows more plants to be grown per acre, allows soil and nutrients to be customized for each type of plant, allows more efficient use of water and fertilizer, allows year-round harvest and sales, and reduces labor cost and injuries." [2014 c 125 § 1.]

**Intent—2014 c 125:** "The amendments to RCW 84.34.020, as provided in section 2 of this act, are intended to clarify an ambiguity in an existing tax preference, and are therefore exempt from the requirements of RCW 82.32.805 and 82.32.808." [2014 c 125 § 3.]

**Purpose—2004 c 217 § 1:** "The purpose of the amendatory language in section 1 of this act is to clarify the timberland definition as it relates to tax issues. The language does not affect land use policy or law." [2004 c 217 § 2.]

Additional notes found at www.leg.wa.gov

**84.34.030 Applications for current use classification—Forms—Fee—Times for making.** (1) An owner of land desiring current use classification under RCW 84.34.020 must make application as follows:

(a) Application for classification under RCW 84.34.020(2) must be made to the county assessor upon forms prepared by the state department of revenue and supplied by the county assessor.

(b) Application for classification under:

(i) RCW 84.34.020(1); or

(ii) RCW 84.34.020(3), unless the timberland classification and designated forestland program are merged under RCW 84.34.400 must be made, for (b)(i) or (ii) of this subsection, to the county legislative authority upon forms prepared by the state department of revenue and supplied by the county assessor.

(2) The application must be accompanied by a reasonable processing fee if a processing fee is established by the city or county legislative authority. The application may require only such information reasonably necessary to properly classify an area of land under this chapter with a notarized verification of the truth thereof and must include a statement that the applicant is aware of the potential tax liability involved when the land ceases to be classified as open space, farm and agricultural or timberland. Applications must be made during the calendar year preceding that in which classification is to begin.

(3) The assessor must make necessary information, including copies of this chapter and applicable regulations,

readily available to interested parties, and must render reasonable assistance to such parties upon request. [2014 c 137 § 6; 1989 c 378 § 10; 1973 1st ex.s. c 212 § 3; 1970 ex.s. c 87 § 3.]

**84.34.035 Applications for current use classification—Approval or denial—Appeal—Duties of assessor upon approval.** The assessor shall act upon the application for current use classification of farm and agricultural lands under RCW 84.34.020(2), with due regard to all relevant evidence. The application shall be deemed to have been approved unless, prior to the first day of May of the year after such application was mailed or delivered to the assessor, the assessor shall notify the applicant in writing of the extent to which the application is denied. An owner who receives notice that his or her application has been denied may appeal such denial to the board of equalization in the county where the property is located. The appeal shall be filed in accordance with RCW 84.40.038. Within ten days following approval of the application, the assessor shall submit notification of such approval to the county auditor for recording in the place and manner provided for the public recording of state tax liens on real property. The assessor shall retain a copy of all applications.

The assessor shall, as to any such land, make a notation each year on the assessment list and the tax roll of the assessed value of such land for the use for which it is classified in addition to the assessed value of such land were it not so classified. [2001 c 185 § 6; 1992 c 69 § 5; 1973 1st ex.s. c 212 § 4.]

Additional notes found at www.leg.wa.gov

**84.34.037 Applications for current use classification—To whom made—Factors—Review.** (1) Applications for classification or reclassification under RCW 84.34.020(1) shall be made to the county legislative authority. An application made for classification or reclassification of land under RCW 84.34.020(1) (b) and (c) which is in an area subject to a comprehensive plan shall be acted upon in the same manner in which an amendment to the comprehensive plan is processed. Application made for classification of land which is in an area not subject to a comprehensive plan shall be acted upon after a public hearing and after notice of the hearing shall have been given by one publication in a newspaper of general circulation in the area at least ten days before the hearing: PROVIDED, That applications for classification of land in an incorporated area shall be acted upon by: (a) A granting authority composed of three members of the county legislative body and three members of the city legislative body in which the land is located in a meeting where members may be physically absent but participating through telephonic connection; or (b) separate affirmative acts by both the county and city legislative bodies where both bodies affirm the entirety of an application without modification or both bodies affirm an application with identical modifications.

(2) In determining whether an application made for classification or reclassification under RCW 84.34.020(1) (b) and (c) should be approved or disapproved, the granting authority may take cognizance of the benefits to the general welfare of preserving the current use of the property which is the subject of application, and shall consider:

(a) The resulting revenue loss or tax shift;

(b) Whether granting the application for land applying under RCW 84.34.020(1)(b) will (i) conserve or enhance natural, cultural, or scenic resources, (ii) protect streams, stream corridors, wetlands, natural shorelines and aquifers, (iii) protect soil resources and unique or critical wildlife and native plant habitat, (iv) promote conservation principles by example or by offering educational opportunities, (v) enhance the value of abutting or neighboring parks, forests, wildlife preserves, nature reservations, sanctuaries, or other open spaces, (vi) enhance recreation opportunities, (vii) preserve historic and archaeological sites, (viii) preserve visual quality along highway, road, and street corridors or scenic vistas, (ix) affect any other factors relevant in weighing benefits to the general welfare of preserving the current use of the property; and

(c) Whether granting the application for land applying under RCW 84.34.020(1)(c) will (i) either preserve land previously classified under RCW 84.34.020(2) or preserve land that is traditional farmland and not classified under chapter 84.33 or 84.34 RCW, (ii) preserve land with a potential for returning to commercial agriculture, and (iii) affect any other factors relevant in weighing benefits to the general welfare of preserving the current use of property.

(3) If a public benefit rating system is adopted under RCW 84.34.055, the county legislative authority shall rate property for which application for classification has been made under RCW 84.34.020(1) (b) and (c) according to the public benefit rating system in determining whether an application should be approved or disapproved, but when such a system is adopted, open space properties then classified under this chapter which do not qualify under the system shall not be removed from classification but may be rated according to the public benefit rating system.

(4) The granting authority may approve the application with respect to only part of the land which is the subject of the application. If any part of the application is denied, the applicant may withdraw the entire application. The granting authority in approving in part or whole an application for land classified or reclassified pursuant to RCW 84.34.020(1) may also require that certain conditions be met, including but not limited to the granting of easements. As a condition of granting open space classification, the legislative body may not require public access on land classified under RCW 84.34.020(1)(b)(iii) for the purpose of promoting conservation of wetlands.

(5) The granting or denial of the application for current use classification or reclassification is a legislative determination and shall be reviewable only for arbitrary and capricious actions. [2009 c 350 § 13; 1992 c 69 § 6; 1985 c 393 § 1; 1984 c 111 § 1; 1973 1st ex.s. c 212 § 5.]

**84.34.041 Application for current use classification—Forms—Public hearing—Approval or denial.** (1) An application for current use classification or reclassification under RCW 84.34.020(3) must be made to the county legislative authority.

The application must be made upon forms prepared by the department of revenue and supplied by the granting

authority and must include the following elements that constitute a timber management plan:

(a) A legal description of, or assessor's parcel numbers for, all land the applicant desires to be classified as timberland;

(b) The date or dates of acquisition of the land;

(c) A brief description of the timber on the land, or if the timber has been harvested, the owner's plan for restocking;

(d) Whether there is a forest management plan for the land;

(e) If so, the nature and extent of implementation of the plan;

(f) Whether the land is used for grazing;

(g) Whether the land has been subdivided or a plat filed with respect to the land;

(h) Whether the land and the applicant are in compliance with the restocking, forest management, fire protection, insect and disease control, weed control, and forest debris provisions of Title 76 RCW or applicable rules under Title 76 RCW;

(i) Whether the land is subject to forest fire protection assessments pursuant to RCW 76.04.610;

(j) Whether the land is subject to a lease, option, or other right that permits it to be used for a purpose other than growing and harvesting timber;

(k) A summary of the past experience and activity of the applicant in growing and harvesting timber;

(l) A summary of current and continuing activity of the applicant in growing and harvesting timber;

(m) A statement that the applicant is aware of the potential tax liability involved when the land ceases to be classified as timberland.

(2) An application made for classification of land under RCW 84.34.020(3) must be acted upon after a public hearing and after notice of the hearing is given by one publication in a newspaper of general circulation in the area at least ten days before the hearing. Application for classification of land in an incorporated area must be acted upon by: (a) A granting authority composed of three members of the county legislative body and three members of the city legislative body in which the land is located in a meeting where members may be physically absent but participating through telephonic connection; or (b) separate affirmative acts by both the county and city legislative bodies where both bodies affirm the entirety of an application without modification or both bodies affirm an application with identical modifications.

(3) The granting authority must act upon the application with due regard to all relevant evidence and without any one or more items of evidence necessarily being determinative, except that the application may be denied for one of the following reasons, without regard to other items:

(a) The land does not contain a stand of timber as defined in chapter 76.09 RCW and applicable rules, except this reason alone is not sufficient to deny the application (i) if the land has been recently harvested or supports a growth of brush or noncommercial type timber, and the application includes a plan for restocking within three years or the longer period necessitated by unavailability of seed or seedlings, or (ii) if only isolated areas within the land do not meet minimum standards due to rock outcroppings, swamps, unproductive soil, or other natural conditions;

(b) The applicant, with respect to the land, has failed to comply with a final administrative or judicial order with respect to a violation of the restocking, forest management, fire protection, insect and disease control, weed control, and forest debris provisions of Title 76 RCW or applicable rules under Title 76 RCW;

(c) The land abuts a body of salt water and lies between the line of ordinary high tide and a line paralleling the ordinary high tide line and two hundred feet horizontally landward from the high tide line.

(4)(a) The timber management plan must be filed with the county legislative authority either: (i) When an application for classification under this chapter is submitted; (ii) when a sale or transfer of timberland occurs and a notice of continuance is signed; or (iii) within sixty days of the date the application for reclassification under this chapter or from designated forestland is received. The application for reclassification must be accepted, but may not be processed until the timber management plan is received. If the timber management plan is not received within sixty days of the date the application for reclassification is received, the application for reclassification must be denied.

(b) If circumstances require it, the county assessor may allow in writing an extension of time for submitting a timber management plan when an application for classification or reclassification or notice of continuance is filed. When the assessor approves an extension of time for filing the timber management plan, the county legislative authority may delay processing an application until the timber management plan is received. If the timber management plan is not received by the date set by the assessor, the application or the notice of continuance must be denied.

(c) The granting authority may approve the application with respect to only part of the land that is described in the application, and if any part of the application is denied, the applicant may withdraw the entire application. The granting authority, in approving in part or whole an application for land classified pursuant to RCW 84.34.020(3), may also require that certain conditions be met.

(d) Granting or denial of an application for current use classification is a legislative determination and is reviewable only for arbitrary and capricious actions. The granting authority may not require the granting of easements for land classified pursuant to RCW 84.34.020(3).

(e) The granting authority must approve or disapprove an application made under this section within six months following the date the application is received.

(5) No application may be approved under this section, and land may not otherwise be classified or reclassified under RCW 84.34.020(3), if the timberland classification and designated forestland program are merged under RCW 84.34.400. [2014 c 137 § 7; 2009 c 350 § 14; 2002 c 315 § 2; 1992 c 69 § 20.]

**84.34.050 Notice of approval or disapproval—Procedure when approval granted.** (1) The granting authority shall immediately notify the assessor and the applicant of its approval or disapproval which shall in no event be more than six months from the receipt of said application. No land other than farm and agricultural land shall be classified under this

chapter until an application in regard thereto has been approved by the appropriate legislative authority.

(2) When the granting authority classifies land under this chapter, it shall file notice of the same with the assessor within ten days. The assessor shall, as to any such land, make a notation each year on the assessment list and the tax roll of the assessed value of such land for the use for which it is classified in addition to the assessed value of such land were it not so classified.

(3) Within ten days following receipt of the notice from the granting authority of classification of such land under this chapter, the assessor shall submit such notice to the county auditor for recording in the place and manner provided for the public recording of state tax liens on real property. [1992 c 69 § 7; 1973 1st ex.s. c 212 § 6; 1970 ex.s. c 87 § 5.]

**84.34.055 Open space priorities—Open space plan and public benefit rating system.** (1)(a) The county legislative authority may direct the county planning commission to set open space priorities and adopt, after a public hearing, an open space plan and public benefit rating system for the county. The plan shall consist of criteria for determining eligibility of lands, the process for establishing a public benefit rating system, and an assessed valuation schedule. The assessed valuation schedule shall be developed by the county assessor and shall be a percentage of market value based upon the public benefit rating system. The open space plan, the public benefit rating system, and the assessed valuations schedule shall not be effective until approved by the county legislative authority after at least one public hearing: PROVIDED, That any county which has complied with the procedural requisites of chapter 393, Laws of 1985, prior to July 28, 1985, need not repeat those procedures in order to adopt an open space plan pursuant to chapter 393, Laws of 1985.

(b) County legislative authorities, in open space plans, public benefit rating systems, and assessed valuation schedules, shall give priority consideration to lands used for buffers that are planted with or primarily contain native vegetation.

(c) "Priority consideration" as used in this section may include, but is not limited to, establishing classification eligibility and maintenance criteria for buffers meeting the requirements of (b) of this subsection.

(d) County legislative authorities shall meet the requirements of (b) of this subsection no later than July 1, 2006, unless buffers already receive priority consideration in the existing open space plans, public benefit rating systems, and assessed valuation schedules.

(2) In adopting an open space plan, recognized sources shall be used unless the county does its own survey of important open space priorities or features, or both. Recognized sources include but are not limited to the natural heritage database; the state office of historic preservation; the recreation and conservation office inventory of dry accretion beach and shoreline features; state, national, county, or city registers of historic places; the shoreline master program; or studies by the parks and recreation commission and by the departments of fish and wildlife and natural resources. Features and sites may be verified by an outside expert in the field and approved by the appropriate state or local agency to be sent to the county legislative authority for final approval as open space.

(3) When the county open space plan is adopted, owners of open space lands then classified under this chapter shall be notified in the same manner as is provided in RCW 84.40.045 of their new assessed value. These lands may be removed from classification, upon request of owner, without penalty within thirty days of notification of value.

(4) The open space plan and public benefit rating system under this section may be adopted for taxes payable in 1986 and thereafter. [2007 c 241 § 73; 2005 c 310 § 1; 1994 c 264 § 76; 1988 c 36 § 62; 1985 c 393 § 3.]

**Intent—Effective date—2007 c 241:** See notes following RCW 79A.25.005.

**84.34.060 Determination of true and fair value of classified land—Computation of assessed value.** In determining the true and fair value of open space land and timberland, which has been classified as such under the provisions of this chapter, the assessor shall consider only the use to which such property and improvements is currently applied and shall not consider potential uses of such property. The assessed valuation of open space land shall not be less than the minimum value per acre of classified farm and agricultural land except that the assessed valuation of open space land may be valued based on the public benefit rating system adopted under RCW 84.34.055: PROVIDED FURTHER, That timberland shall be valued according to chapter 84.33 RCW. In valuing any tract or parcel of real property designated and zoned under a comprehensive plan adopted under chapter 36.70A RCW as agricultural, forest, or open space land, the appraisal shall not be based on similar sales of parcels that have been converted to nonagricultural, nonforest, or nonopen-space uses within five years after the sale. [1997 c 429 § 32; 1992 c 69 § 8; 1985 c 393 § 2; 1981 c 148 § 10; 1973 1st ex.s. c 212 § 7; 1970 ex.s. c 87 § 6.]

**Purpose—Severability—Effective dates—1981 c 148:** See notes following RCW 84.33.130.

Additional notes found at www.leg.wa.gov

**84.34.065 Determination of true and fair value of farm and agricultural land—Definitions.** (1) The true and fair value of farm and agricultural land shall be determined by consideration of the earning or productive capacity of comparable lands from crops grown most typically in the area averaged over not less than five years, capitalized at indicative rates. The earning or productive capacity of farm and agricultural lands is the "net cash rental," capitalized at a "rate of interest" charged on long term loans secured by a mortgage on farm or agricultural land plus a component for property taxes. The current use value of land under RCW 84.34.020(2)(f) must be established as: The prior year's average value of open space farm and agricultural land used in the county plus the value of land improvements such as septic, water, and power used to serve the residence. This may not be interpreted to require the assessor to list improvements to the land with the value of the land.

(2) For the purposes of the above computation:

(a)(i) The term "net cash rental" means the average rental paid on an annual basis, in cash, for the land being appraised and other farm and agricultural land of similar quality and

similarly situated that is available for lease for a period of at least three years to any reliable person without unreasonable restrictions on its use for production of agricultural crops. There is allowed as a deduction from the rental received or computed any costs of crop production charged against the landlord if the costs are such as are customarily paid by a landlord. If "net cash rental" data is not available, the earning or productive capacity of farm and agricultural lands is determined by the cash value of typical or usual crops grown on land of similar quality and similarly situated averaged over not less than five years. Standard costs of production are allowed as a deduction from the cash value of the crops.

(ii) The current "net cash rental" or "earning capacity" is determined by the assessor with the advice of the advisory committee as provided in RCW 84.34.145, and through a continuing internal study, assisted by studies of the department of revenue. This net cash rental figure as it applies to any farm and agricultural land may be challenged before the same boards or authorities as would be the case with regard to assessed values on general property.

(b)(i) The term "rate of interest" means the rate of interest charged by the farm credit administration and other large financial institutions regularly making loans secured by farm and agricultural lands through mortgages or similar legal instruments, averaged over the immediate past five years.

(ii) The "rate of interest" must be determined annually by a rule adopted by the department of revenue and such rule must be published in the state register not later than January 1 of each year for use in that assessment year. The department of revenue determination may be appealed to the state board of tax appeals within thirty days after the date of publication by any owner of farm or agricultural land or the assessor of any county containing farm and agricultural land.

(c) The "component for property taxes" is a figure obtained by dividing the assessed value of all property in the county into the property taxes levied within the county in the year preceding the assessment and multiplying the quotient obtained by one hundred. [2014 c 97 § 310; 2001 c 249 § 13; 2000 c 103 § 23; 1998 c 320 § 8; 1997 c 429 § 33; 1992 c 69 § 9; 1989 c 378 § 11; 1973 1st ex.s. c 212 § 10.]

Additional notes found at www.leg.wa.gov

**84.34.070 Withdrawal from classification.** (1)(a) When land has once been classified under this chapter, it must remain under such classification and must not be applied to other use except as provided by subsection (2) of this section for at least ten years from the date of classification. It must continue under such classification until and unless withdrawn from classification after notice of request for withdrawal is made by the owner. After the initial ten-year classification period has elapsed, notice of request for withdrawal of all or a portion of the land may be given by the owner to the assessor or assessors of the county or counties in which the land is situated. If a portion of a parcel is removed from classification, the remaining portion must meet the same requirements as did the entire parcel when the land was originally granted classification under this chapter unless the remaining parcel has different income criteria. Within seven days the assessor must transmit one copy of the notice to the legislative body that originally approved the application. The assessor or assessors, as the case may be, must withdraw the land from the classification and the land is subject to the additional tax and applicable interest due under RCW 84.34.108. Agreement to tax according to use is not considered to be a contract and can be abrogated at any time by the legislature in which event no additional tax or penalty may be imposed.

(b) If the assessor gives written notice of removal as provided in RCW 84.34.108(1)(d)(i) of all or a portion of land classified under this chapter before the owner gives a notice of request for withdrawal in (a) of this subsection, the provisions of RCW 84.34.108 apply.

(2)(a) The following reclassifications are not considered withdrawals or removals and are not subject to additional tax under RCW 84.34.108:

(i) Reclassification between lands under RCW 84.34.020 (2) and (3);

(ii) Reclassification of land classified under RCW 84.34.020 (2) or (3) or designated under chapter 84.33 RCW to open space land under RCW 84.34.020(1);

(iii) Reclassification of land classified under RCW 84.34.020 (2) or (3) to forestland designated under chapter 84.33 RCW; and

(iv) Reclassification of land classified as open space land under RCW 84.34.020(1)(c) and reclassified to farm and agricultural land under RCW 84.34.020(2) if the land had been previously classified as farm and agricultural land under RCW 84.34.020(2).

(b) Designation as forestland under RCW 84.33.130(1) as a result of a merger adopted under RCW 84.34.400 is not considered a withdrawal or removal and is not subject to additional tax under RCW 84.34.108.

(3) Applications for reclassification are subject to applicable provisions of RCW 84.34.037, 84.34.035, 84.34.041, and chapter 84.33 RCW.

(4) The income criteria for land classified under RCW 84.34.020(2) (b) and (c) may be deferred for land being reclassified from land classified under RCW 84.34.020 (1)(c) or (3), or chapter 84.33 RCW into RCW 84.34.020(2) (b) or (c) for a period of up to five years from the date of reclassification. [2017 c 251 § 1; 2014 c 137 § 8; 1992 c 69 § 10; 1984 c 111 § 2; 1973 1st ex.s. c 212 § 8; 1970 ex.s. c 87 § 7.]

**84.34.080 Change in use.** When land which has been classified under this chapter as open space land, farm and agricultural land, or timberland is applied to some other use, except through compliance with RCW 84.34.070, or except as a result solely from any one of the conditions listed in RCW 84.34.108(6), the owner shall within sixty days notify the county assessor of such change in use and additional real property tax shall be imposed upon such land in an amount equal to the sum of the following:

(1) The total amount of the additional tax and applicable interest due under RCW 84.34.108; plus

(2) A penalty amounting to twenty percent of the amount determined in subsection (1) of this section. [1999 sp.s. c 4 § 705; 1992 c 69 § 11; 1973 1st ex.s. c 212 § 9; 1970 ex.s. c 87 § 8.]

Additional notes found at www.leg.wa.gov

**84.34.090 Extension of additional tax and penalties on tax roll—Lien.** The additional tax and penalties, if any, provided by RCW 84.34.070 and 84.34.080 shall be extended

on the tax roll and shall be, together with the interest thereon, a lien on the land to which such tax applies as of January 1st of the year for which such additional tax is imposed. Such lien shall have priority as provided in chapter 84.60 RCW: PROVIDED, That for purposes of all periods of limitation of actions specified in Title 84 RCW, the year in which the tax became payable shall be as specified in RCW 84.34.100. [1970 ex.s. c 87 § 9.]

**84.34.100 Payment of additional tax, penalties, and/or interest.** The additional tax, penalties, and/or interest provided by RCW 84.34.070 and 84.34.080 shall be payable in full thirty days after the date which the treasurer's statement therefor is rendered. Such additional tax when collected shall be distributed by the county treasurer in the same manner in which current taxes applicable to the subject land are distributed. [1980 c 134 § 4; 1970 ex.s. c 87 § 10.]

**84.34.108 Removal of classification—Factors—Notice of continuance—Additional tax—Lien—Delinquencies—Exemptions.** (1) When land has once been classified under this chapter, a notation of the classification must be made each year upon the assessment and tax rolls and the land must be valued pursuant to RCW 84.34.060 or 84.34.065 until removal of all or a portion of the classification by the assessor upon occurrence of any of the following:

(a) Receipt of notice from the owner to remove all or a portion of the classification;

(b) Sale or transfer to an ownership, except a transfer that resulted from a default in loan payments made to or secured by a governmental agency that intends to or is required by law or regulation to resell the property for the same use as before, making all or a portion of the land exempt from ad valorem taxation;

(c) Sale or transfer of all or a portion of the land to a new owner, unless the new owner has signed a notice of classification continuance, except transfer to an owner who is an heir or devisee of a deceased owner or transfer by a transfer on death deed does not, by itself, result in removal of classification. The notice of continuance must be on a form prepared by the department. If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all additional taxes, applicable interest, and penalty calculated pursuant to subsection (4) of this section become due and payable by the seller or transferor at time of sale. The auditor may not accept an instrument of conveyance regarding classified land for filing or recording unless the new owner has signed the notice of continuance or the additional tax, applicable interest, and penalty has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection (4) of this section to the county board of equalization in accordance with the provisions of RCW 84.40.038. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals;

(d)(i) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that all or a portion of the land no longer meets the criteria for classification under this chapter. The criteria for classification pursuant to this chapter continue to apply after classification has been granted.

(ii) The granting authority, upon request of an assessor, must provide reasonable assistance to the assessor in making a determination whether the land continues to meet the qualifications of RCW 84.34.020 (1) or (3). The assistance must be provided within thirty days of receipt of the request.

(2) Land may not be removed from classification because of:

(a) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or

(b) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

(3) Within thirty days after the removal of all or a portion of the land from current use classification under subsection (1) of this section, the assessor must notify the owner in writing, setting forth the reasons for the removal. The seller, transferor, or owner may appeal the removal to the county board of equalization in accordance with the provisions of RCW 84.40.038. The removal notice must explain the steps needed to appeal the removal decision, including when a notice of appeal must be filed, where the forms may be obtained, and how to contact the county board of equalization.

(4) Unless the removal is reversed on appeal, the assessor must revalue the affected land with reference to its true and fair value on January 1st of the year of removal from classification. Both the assessed valuation before and after the removal of classification must be listed and taxes must be allocated according to that part of the year to which each assessed valuation applies. Except as provided in subsection (6) of this section, an additional tax, applicable interest, and penalty must be imposed, which are due and payable to the treasurer thirty days after the owner is notified of the amount of the additional tax, applicable interest, and penalty. As soon as possible, the assessor must compute the amount of additional tax, applicable interest, and penalty and the treasurer must mail notice to the owner of the amount thereof and the date on which payment is due. The amount of the additional tax, applicable interest, and penalty must be determined as follows:

(a) The amount of additional tax is equal to the difference between the property tax paid as "open space land," "farm and agricultural land," or "timberland" and the amount of property tax otherwise due and payable for the seven years last past had the land not been so classified;

(b) The amount of applicable interest is equal to the interest upon the amounts of the additional tax paid at the same statutory rate charged on delinquent property taxes from the dates on which the additional tax could have been paid without penalty if the land had been assessed at a value without regard to this chapter;

(c) The amount of the penalty is as provided in RCW 84.34.080. The penalty may not be imposed if the removal satisfies the conditions of RCW 84.34.070.

(5) Additional tax, applicable interest, and penalty become a lien on the land. The lien attaches at the time the land is removed from classification under this chapter and has priority to and must be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or

responsibility to or with which the land may become charged or liable. This lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes as provided in RCW 84.64.050. Any additional tax unpaid on the due date is delinquent as of the due date. From the date of delinquency until paid, interest must be charged at the same rate applied by law to delinquent ad valorem property taxes.

(6) The additional tax, applicable interest, and penalty specified in subsection (4) of this section may not be imposed if the removal of classification pursuant to subsection (1) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other land located within the state of Washington;

(b)(i) A taking through the exercise of the power of eminent domain, or (ii) sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power, said entity having manifested its intent in writing or by other official action;

(c) A natural disaster such as a flood, windstorm, earthquake, wildfire, or other such calamity rather than by virtue of the act of the landowner changing the use of the property;

(d) Official action by an agency of the state of Washington or by the county or city within which the land is located which disallows the present use of the land;

(e) Transfer of land to a church when the land would qualify for exemption pursuant to RCW 84.36.020;

(f) Acquisition of property interests by state agencies or agencies or organizations qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections. At such time as these property interests are not used for the purposes enumerated in RCW 84.34.210 and 64.04.130 the additional tax specified in subsection (4) of this section must be imposed;

(g) Removal of land classified as farm and agricultural land under RCW 84.34.020(2)(f);

(h) Removal of land from classification after enactment of a statutory exemption that qualifies the land for exemption and receipt of notice from the owner to remove the land from classification;

(i) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120;

(j) The creation, sale, or transfer of a conservation easement of private forestlands within unconfined channel migration zones or containing critical habitat for threatened or endangered species under RCW 76.09.040;

(k) The sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forestland, designated as forestland under chapter 84.33 RCW, or classified under this chapter continuously since 1993. The date of death shown on a death certificate is the date used for the purposes of this subsection (6)(k); or

(l)(i) The discovery that the land was classified under this chapter in error through no fault of the owner. For purposes of this subsection (6)(l), "fault" means a knowingly false or misleading statement, or other act or omission not in good faith, that contributed to the approval of classification under this chapter or the failure of the assessor to remove the land from classification under this chapter.

(ii) For purposes of this subsection (6), the discovery that land was classified under this chapter in error through no fault of the owner is not the sole reason for removal of classification pursuant to subsection (1) of this section if an independent basis for removal exists. Examples of an independent basis for removal include the owner changing the use of the land or failing to meet any applicable income criteria required for classification under this chapter. [2017 3rd sp.s. c 37 § 1001; 2017 c 323 § 506. Prior: 2014 c 97 § 311; 2014 c 58 § 28; prior: 2009 c 513 § 2; 2009 c 354 § 3; 2009 c 255 § 2; 2009 c 246 § 3; 2007 c 54 § 25; 2003 c 170 § 6; prior: 2001 c 305 § 3; 2001 c 249 § 14; 2001 c 185 § 7; prior: 1999 sp.s. c 4 § 706; 1999 c 233 § 22; 1999 c 139 § 2; 1992 c 69 § 12; 1989 c 378 § 35; 1985 c 319 § 1; 1983 c 41 § 1; 1980 c 134 § 5; 1973 1st ex.s. c 212 § 12.]

**Tax preference performance statement and expiration—2017 3rd sp.s. c 37 §§ 1001 and 1002:** "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this part." [2017 3rd sp.s. c 37 § 1003.]

**Effective date—2017 3rd sp.s. c 37 §§ 301, 302, and 1001-1003:** See note following RCW 82.04.628.

**Tax preference performance statement exemption—Automatic expiration date exemption—2017 c 323:** See note following RCW 82.04.040.

**Uniformity of application and construction—Relation to electronic signatures in global and national commerce act—2014 c 58:** See RCW 64.80.903 and 64.80.904.

**Finding—Intent—2009 c 354:** See note following RCW 84.33.140.

**Purpose—2003 c 170 § 6:** "During the regular session of the 2001 legislature, RCW 84.34.108 was amended by section 7, chapter 185, by section 14, chapter 249, and by section 3, chapter 305, each without reference to the other. The purpose of section 6 of this act is to reenact and amend RCW 84.34.108 so that it reflects all amendments made by the legislature and to clarify any misunderstanding as to how the exemption contained in chapter 305, Laws of 2001 is to be applied." [2003 c 170 § 3.]

**Purpose—Intent—2003 c 170:** See note following RCW 84.33.130.

Additional notes found at www.leg.wa.gov

**84.34.111 Remedies available to owner liable for additional tax.** The owner of any land as to which additional tax is imposed as provided in this chapter shall have with respect to valuation of the land and imposition of the additional tax all remedies provided by this title. [1998 c 311 § 14; 1973 1st ex.s. c 212 § 13.]

**84.34.121 Information required.** The assessor may require owners of land classified under this chapter to submit pertinent data regarding the use of the land, productivity of typical crops, and such similar information pertinent to continued classification and appraisal of the land. [1973 1st ex.s. c 212 § 14.]

**84.34.131 Valuation of timber not affected.** Nothing in this chapter shall be construed as in any manner affecting the method for valuation of timber standing on timberland which has been classified under this chapter. [1998 c 311 § 15; 1973 1st ex.s. c 212 § 16.]

**84.34.141 Rules and regulations.** The department of revenue of the state of Washington shall make such rules and regulations consistent with this chapter as shall be necessary or desirable to permit its effective administration. [1998 c 311 § 16; 1973 1st ex.s. c 212 § 17.]

**84.34.145 Advisory committee.** The county legislative authority shall appoint a five member committee representing the active farming community within the county to serve in an advisory capacity to the assessor in implementing assessment guidelines as established by the department of revenue for the assessment of open space, farms and agricultural lands, and timberlands classified under this chapter. [1998 c 311 § 17; 1992 c 69 § 13; 1973 1st ex.s. c 212 § 11.]

**84.34.150 Reclassification of land classified under prior law which meets definition of farm and agricultural land.** Land classified under the provisions of chapter 84.34 RCW prior to July 16, 1973 which meets the criteria for classification under this chapter, is hereby reclassified under this chapter. This change in classification shall be made without additional tax, applicable interest, penalty, or other requirements, but subsequent to such reclassification, the land shall be fully subject to this chapter. A condition imposed by a granting authority prior to July 16, 1973, upon land classified pursuant to RCW 84.34.020 (1) or (3) shall remain in effect during the period of classification. [1998 c 311 § 18; 1992 c 69 § 14; 1973 1st ex.s. c 212 § 15.]

**84.34.155 Reclassification of land classified as timberland which meets definition of forestland under chapter 84.33 RCW.** Land classified under the provisions of RCW 84.34.020 (2) or (3) which meets the definition of forestland under the provisions of chapter 84.33 RCW, upon request for such change made by the owner to the granting authority, shall be reclassified by the assessor under the provisions of chapter 84.33 RCW. This change in classification shall be made without additional tax, applicable interest, penalty, or other requirements set forth in chapter 84.34 RCW: PROVIDED, That subsequent to such reclassification, the land shall be fully subject to the provisions of chapter 84.33 RCW, as now or hereafter amended. [1992 c 69 § 15; 1973 1st ex.s. c 212 § 19.]

**84.34.160 Information on current use classification—Publication and dissemination.** The department of revenue and each granting authority is hereby directed to publicize the qualifications and manner of making applications for classification. Notice of the qualifications, method of making applications, and availability of further information on current use classification shall be included with every notice of change in valuation. [1992 c 69 § 16; 1973 1st ex.s. c 212 § 18.]

**84.34.200 Acquisition of open space, etc., land or rights to future development by counties, cities, or metropolitan municipal corporations—Legislative declaration—Purposes.** The legislature finds that the haphazard growth and spread of urban development is encroaching upon, or eliminating, numerous open areas and spaces of varied size and character, including many devoted to agriculture, the cultivation of timber, and other productive activities, and many others having significant recreational, social, scenic, or esthetic values. Such areas and spaces, if preserved and maintained in their present open state, would constitute important assets to existing and impending urban and metropolitan development, at the same time that they would continue to contribute to the welfare and well-being of the citizens of the state as a whole. The acquisition of interests or rights in real property for the preservation of such open spaces and areas constitutes a public purpose for which public funds may properly be expended or advanced. [1971 ex.s. c 243 § 1.]

**84.34.210 Acquisition of open space, land, or rights to future development by certain entities—Authority to acquire—Conveyance or lease back.** Any county, city, town, metropolitan park district, metropolitan municipal corporation, nonprofit historic preservation corporation as defined in RCW 64.04.130, or nonprofit nature conservancy corporation or association, as such are defined in RCW 84.34.250, may acquire by purchase, gift, grant, bequest, devise, lease, or otherwise, except by eminent domain, the fee simple or any lesser interest, development right, easement, covenant, or other contractual right necessary to protect, preserve, maintain, improve, restore, limit the future use of, or otherwise conserve, selected open space land, farm and agricultural land, and timberland as such are defined in chapter 84.34 RCW for public use or enjoyment. Among interests that may be so acquired are mineral rights. Any county, city, town, metropolitan park district, metropolitan municipal corporation, nonprofit historic preservation corporation as defined in RCW 64.04.130, or nonprofit nature conservancy corporation or association, as such are defined in RCW 84.34.250, may acquire such property for the purpose of conveying or leasing the property back to its original owner or other person under such covenants or other contractual arrangements as will limit the future use of the property in accordance with the purposes of chapter 243, Laws of 1971 ex. sess. [1993 c 248 § 1; 1987 c 341 § 2; 1975-'76 2nd ex.s. c 22 § 1; 1971 ex.s. c 243 § 2.]

*Acquisition of interests in land for conservation, protection, preservation, or open space purposes by certain entities: RCW 64.04.130.*

*Property tax exemption for conservation futures on agricultural land: RCW 84.36.500.*

**84.34.220 Acquisition of open space, land, or rights to future development by certain entities—Developmental rights—"Conservation futures"—Acquisition—Restrictions.** In accordance with the authority granted in RCW 84.34.210, a county, city, town, metropolitan park district, metropolitan municipal corporation, nonprofit historic preservation corporation as defined in RCW 64.04.130, or nonprofit nature conservancy corporation or association, as such are defined in RCW 84.34.250, may specifically purchase or otherwise acquire, except by eminent domain, rights in perpetuity to future development of any open space land, farm and agricultural land, and timberland which are so designated under the provisions of chapter 84.34 RCW and taxed at current use assessment as provided by that chapter. For the purposes of chapter 243, Laws of 1971 ex. sess., such developmental rights shall be termed "conservation futures". The private owner may retain the right to continue any existing open space use of the land, and to develop any other open space use, but, under the terms of purchase of conservation futures, the county, city, town, metropolitan park district, metropolitan municipal corporation, nonprofit historic preservation corporation as defined in RCW 64.04.130, or nonprofit nature conservancy corporation or association, as such

are defined in RCW 84.34.250, may forbid or restrict building thereon, or may require that improvements cannot be made without county, city, town, metropolitan park district, metropolitan municipal corporation, nonprofit historic preservation corporation as defined in RCW 64.04.130, or nonprofit nature conservancy corporation or association, as such are defined in RCW 84.34.250, permission. The land may be alienated or sold and used as formerly by the new owner, subject to the terms of the agreement made by the county, city, town, metropolitan park district, metropolitan municipal corporation, nonprofit historic preservation corporation as defined in RCW 64.04.130, or nonprofit nature conservancy corporation or association, as such are defined in RCW 84.34.250, with the original owner. [1993 c 248 § 2; 1987 c 341 § 3; 1975-'76 2nd ex.s. c 22 § 2; 1971 ex.s. c 243 § 3.]

**84.34.230 Acquisition of open space, etc., land or rights to future development by certain entities—Additional property tax levy authorized.** Conservation futures are a useful tool for counties to preserve lands of public interest for future generations. Counties are encouraged to use some conservation futures as one tool for salmon preservation purposes.

For the purpose of acquiring conservation futures and other rights and interests in real property pursuant to RCW 84.34.210 and 84.34.220, and for maintaining and operating any property acquired with these funds, a county may levy an amount not to exceed six and one-quarter cents per thousand dollars of assessed valuation against the assessed valuation of all taxable property within the county. The limitations in RCW 84.52.043 shall not apply to the tax levy authorized in this section. Any rights or interests in real property acquired under this section after July 24, 2005, must be located within the assessing county. Further, the county must determine if the rights or interests in real property acquired with these funds would reduce the capacity of land suitable for development necessary to accommodate the allocated housing and employment growth, as adopted in the countywide planning policies. When actions are taken that reduce capacity to accommodate planned growth, the jurisdiction shall adopt reasonable measures to increase the capacity lost by such actions. [2005 c 449 § 1; 1995 c 318 § 8; 1994 c 301 § 33; 1973 1st ex.s. c 195 § 94; 1973 1st ex.s. c 195 § 145; 1971 ex.s. c 243 § 4.]

Additional notes found at www.leg.wa.gov

**84.34.240 Acquisition of open space, etc., land or rights to future development by certain entities—Conservation futures fund—Additional requirements, authority.** Conservation futures are a useful tool for counties to preserve lands of public interest for future generations. Counties are encouraged to use some conservation futures as one tool for salmon preservation purposes.

(1) Any board of county commissioners may establish by resolution a special fund which may be termed a conservation futures fund to which it may credit all taxes levied pursuant to RCW 84.34.230. Amounts placed in this fund may be used for the purpose of acquiring rights and interests in real property pursuant to the terms of RCW 84.34.210 and 84.34.220, and for the maintenance and operation of any property acquired with these funds.

(2)(a) Generally, the amount of revenue used for maintenance and operations of real property, the rights or interests of which were acquired pursuant to the terms of RCW 84.34.210 and 84.34.220, may not exceed fifteen percent of the total amount collected from the tax levied under RCW 84.34.230 in the preceding calendar year. Revenues from this tax may not be used to supplant existing maintenance and operation funding.

(b) A county may use up to twenty-five percent of the total amount for maintenance and operations of real property, the rights and interests of which were acquired pursuant to the terms of RCW 84.34.210 and 84.34.220, which may not be used to supplant existing maintenance and operation funding, if the county has:

(i) Acquired rights and interests in four hundred or more acres of real property under RCW 84.34.210 and 84.34.220; and

(ii) Collected a conservation futures levy for twenty or more years.

(3) Any rights or interests in real property acquired under this section must be located within the assessing county. The county must determine if the rights or interests in real property acquired with these funds would reduce the capacity of land suitable for development necessary to accommodate the allocated housing and employment growth, as adopted in the countywide planning policies. When actions are taken that reduce capacity to accommodate planned growth, the jurisdiction must adopt reasonable measures to increase the capacity lost by such actions.

(4) In counties greater than one hundred thousand in population, the board of county commissioners or county legislative authority shall develop a process to help ensure distribution of the tax levied under RCW 84.34.230, over time, throughout the county.

(5)(a) Between July 24, 2005, and July 1, 2008, the county legislative authority of a county with a population density of fewer than four persons per square mile may enact an ordinance offering a ballot proposal to the people of the county to determine whether or not the county legislative authority may make a one-time emergency reallocation of unspent conservation futures funds to pay for other county government purposes, where such conservation futures funds were originally levied under RCW 84.34.230 but never spent to acquire rights and interests in real property.

(b) Upon adoption by the county legislative authority of a ballot proposal ordinance under (a) of this subsection the county auditor shall: (i) Confer with the county legislative authority and review any proposal to the people as to form and style; (ii) give the ballot proposal a number, which thereafter must be the identifying number for the proposal; (iii) transmit a copy of the proposal to the prosecuting attorney; and (iv) submit the proposal to the people at the next general or special election that is not less than ninety days after the adoption of the ordinance by the county legislative authority.

(c) The county prosecuting attorney must within fifteen working days of receipt of the proposal compose a concise statement, posed as a positive question, not to exceed twenty-five words, which shall express and give a true and impartial statement of the proposal. Such concise statement must be the ballot title.

(d) If the measure is affirmed by a majority voting on the issue it shall become effective ten days after the results of the election are certified.

(6) Nothing in this section may be construed as limiting in any manner methods and funds otherwise available to a county for financing the acquisition of such rights and interests in real property. [2017 c 148 § 1; 2005 c 449 § 2; 1971 ex.s. c 243 § 5.]

**84.34.250 Nonprofit nature conservancy corporation or association defined.** As used in RCW 84.34.210, as now or hereafter amended, RCW 84.34.220, as now or hereafter amended, and *RCW 79A.15.010, "nonprofit nature conservancy corporation or association" means an organization which qualifies as being tax exempt under 26 U.S.C. section 501(c) (of the Internal Revenue Code) as it exists on June 25, 1976 and one which has as one of its principal purposes the conducting or facilitating of scientific research; the conserving of natural resources, including but not limited to biological resources, for the general public; or the conserving of open spaces, including but not limited to wildlife habitat to be utilized as public access areas, for the use and enjoyment of the general public. [2009 c 341 § 6; 1975-'76 2nd ex.s. c 22 § 4.]

***Reviser's note:** RCW 79A.15.010 was amended by 2016 c 149 § 2, changing the term "nonprofit nature conservancy corporation or association" to "nonprofit nature conservancies."

**84.34.300 Special benefit assessments for farm and agricultural land or timberland—Legislative findings—Purpose.** (1) The legislature finds that farming, timber production, and the related agricultural and forest industries have historically been and currently are central factors in the economic and social lifeblood of the state; that it is a fundamental policy of the state to protect agricultural and timberlands as a major natural resource in order to maintain a source to supply a wide range of agricultural and forest products; and that the public interest in the protection and stimulation of farming, timber production, and the agricultural and forest industries is a basic element of enhancing the economic viability of this state. The legislature further finds that farmland and timberland in urbanizing areas are often subjected to high levels of property taxation and benefit assessment, and that such levels of taxation and assessment encourage and even force the removal of such lands from agricultural and forest uses. The legislature further finds that because of this level of taxation and assessment, such farmland and timberland in urbanizing areas are either converted to nonagricultural and nonforest uses when significant amounts of nearby nonagricultural and nonforest area could be suitably used for such nonagricultural and nonforest uses, or, much of this farmland and timberland is left in an unused state. The legislature further finds that with the approval by the voters of the Fifty-third Amendment to the state Constitution, and with the enactment of chapter 84.34 RCW, the owners of farmlands and timberlands were provided with an opportunity to have such land valued on the basis of its current use and not its "highest and best use" and that such current use valuation is one mechanism to protect agricultural and timberlands. The legislature further finds that despite this potential property tax reduction, farmlands and timberlands in urbanized areas are still subject to high levels of benefit assessments and continue to be removed from farm and forest uses.

(2) It is therefore the purpose of the legislature to establish, with the enactment of RCW 84.34.300 through 84.34.380, another mechanism to protect agricultural and timberland which creates an analogous system of relief from certain benefit assessments for farm and agricultural land and timberland. It is the intent of the legislature that special benefit assessments not be imposed for the availability of sanitary and/or storm sewerage service, or domestic water service, or for road construction and/or improvement purposes on farm and agricultural lands and timberlands which have been designated for current use classification as farm and agricultural lands or timberlands until such lands are withdrawn or removed from such classification or unless such lands benefit from or cause the need for the local improvement district.

(3) The legislature finds, and it is the intent of RCW 84.34.300 through 84.34.380 and 84.34.922, that special benefit assessments for the improvement or construction of sanitary and/or storm sewerage service, or domestic water service, or certain road construction do not generally benefit land which has been classified as farm and agricultural land or timberland under the open space act, chapter 84.34 RCW, until such land is withdrawn or removed from such classification. The purpose of RCW 84.34.300 through 84.34.380 and 84.34.922 is to provide an exemption from certain special benefit assessments which do not benefit timberland or open space farm and agricultural land, and to provide the means for local governmental entities to recover such assessments in current dollar value in the event such land is no longer devoted to farming or timber production under chapter 84.34 RCW. Where the owner of such land chooses to make limited use of improvements related to special benefit assessments, RCW 84.34.300 through 84.34.380 provides the means for the partial assessment on open space timber and farmland to the extent the land is directly benefited by the improvement. [2014 c 97 § 312; 1992 c 52 § 14; 1979 c 84 § 1.]

**84.34.310 Special benefit assessments for farm and agricultural land or timberland—Definitions.** As used in RCW 84.34.300 through 84.34.380, unless a different meaning is required, the words defined in this section shall have the meanings indicated.

(1) The term "average rate of inflation" shall mean the annual rate of inflation as determined by the department of revenue averaged over the period of time as provided in *RCW 84.34.330 (1) and (2). Such determination shall be published not later than January 1 of each year for use in that assessment year.

(2) "Farm and agricultural land" shall mean the same as defined in RCW 84.34.020(2).

(3) "Local government" shall mean any city, town, county, water-sewer district, public utility district, port district, flood control district, or any other municipal corporation, quasi-municipal corporation, or other political subdivision authorized to levy special benefit assessments for sanitary and/or storm sewerage systems, domestic water supply and/or distribution systems, or road construction or improvement purposes. "Local government" does not include an irrigation district with respect to any local improvement district

created or local improvement assessment levied by that irrigation district.

(4) "Local improvement district" shall mean any local improvement district, utility local improvement district, local utility district, road improvement district, or any similar unit created by a local government for the purpose of levying special benefit assessments against property specially benefited by improvements relating to such districts.

(5) "Owner" shall mean the same as defined in RCW 84.34.020(5) or the applicable statutes relating to special benefit assessments.

(6) "Special benefit assessments" shall mean special assessments levied or capable of being levied in any local improvement district or otherwise levied or capable of being levied by a local government to pay for all or part of the costs of a local improvement and which may be levied only for the special benefits to be realized by property by reason of that local improvement.

(7) "Timberland" shall mean the same as defined in RCW 84.34.020(3). [2013 c 177 § 2; 1999 c 153 § 71; 1992 c 52 § 15; 1979 c 84 § 2.]

**Reviser's note:** *(1) RCW 84.34.330 was amended by 2014 c 137 § 9, changing subsections (1) and (2) to subsection (1)(a) and (b).

(2) The definitions in this section have been alphabetized pursuant to RCW 1.08.015(2)(k).

Additional notes found at www.leg.wa.gov

**84.34.320 Special benefit assessments for farm and agricultural land or timberland—Exemption from assessment—Procedures relating to exemption—Constructive notice of potential liability—Waiver of exemption.** (1) Any land classified as farm and agricultural land or timberland pursuant to chapter 84.34 RCW at the earlier of the times the legislative authority of a local government adopts a resolution, ordinance, or legislative act to: (a) Create a local improvement district, in which such land is included or would have been included but for such classification; or (b) approve or confirm a final special benefit assessment roll relating to a sanitary and/or storm sewerage system, domestic water supply and/or distribution system, or road construction and/or improvement, which roll would have included such land but for such classification, is exempt from special benefit assessments or charges in lieu of assessment for such purposes as long as that land remains in such classification, except as otherwise provided in RCW 84.34.360.

(2) Whenever a local government creates a local improvement district, the levying, collection and enforcement of assessments shall be in the manner and subject to the same procedures and limitations as are provided pursuant to the law concerning the initiation and formation of local improvement districts for the particular local government. Notice of the creation of a local improvement district that includes farm and agricultural land or timberland must be filed with the county assessor and the legislative authority of the county in which such land is located. The assessor, upon receiving notice of the creation of such a local improvement district, must send a notice to the owner of the farm and agricultural land or timberland listed on the tax rolls of the applicable county treasurer of: (a) The creation of the local improvement district; (b) the exemption of that land from special benefit assessments; (c) the fact that the farm and agricultural land or timberland may become subject to the special benefit assessments if the owner waives the exemption by filing a notarized document with the governing body of the local government creating the local improvement district before the confirmation of the final special benefit assessment roll; and (d) the potential liability, pursuant to RCW 84.34.330, if the exemption is not waived and the land is subsequently removed or withdrawn from the farm and agricultural land or timberland classification. When a local government approves and confirms a special benefit assessment roll, from which farm and agricultural land or timberland has been exempted pursuant to this section, it shall file a notice of such action with the assessor and the legislative authority of the county in which such land is located and with the treasurer of that local government, which notice must describe the action taken, the type of improvement involved, the land exempted, and the amount of the special benefit assessment which would have been levied against the land if it had not been exempted. The filing of such notice with the assessor and the treasurer of that local government constitutes constructive notice to a purchaser or encumbrancer of the affected land, and every person whose conveyance or encumbrance is subsequently executed or subsequently recorded, that such exempt land is subject to the charges provided in RCW 84.34.330 and 84.34.340 if such land is withdrawn or removed from its current use classification as farm and agricultural land or timberland.

(3) The owner of the land exempted from special benefit assessments pursuant to this section may waive that exemption by filing a notarized document to that effect with the legislative authority of the local government upon receiving notice from said local government concerning the assessment roll hearing and before the local government confirms the final special benefit assessment roll. A copy of that waiver must be filed by the local government with the assessor, but the failure of such filing does not affect the waiver.

(4) Except to the extent provided in RCW 84.34.360, the local government has no duty to furnish service from the improvement financed by the special benefit assessment to such exempted land. [2014 c 97 § 313. Prior: 1992 c 69 § 17; 1992 c 52 § 16; 1979 c 84 § 3.]

**84.34.330 Special benefit assessments for farm and agricultural land or timberland—Withdrawal from classification or change in use—Liability—Amount—Due date—Lien.** (1) Whenever farm and agricultural land or timberland has once been exempted from special benefit assessments under RCW 84.34.320, and except as provided in subsection (2) of this section, any withdrawal or removal from classification as farm and agricultural land or timberland under chapter 84.34 RCW results in the following:

(a) If the bonds used to fund the improvement in the local improvement district have not been completely retired, the land immediately becomes liable for: (i) The amount of the special benefit assessment listed in the notice provided for in RCW 84.34.320; plus (ii) interest on the amount determined in (a)(i) of this subsection (1), compounded annually at a rate equal to the average rate of inflation from the time the initial notice is filed by the governmental entity that created the local improvement district as provided in RCW 84.34.320 to

the time the land is withdrawn or removed from the exemption category provided by this chapter.

(b) If the bonds used to fund the improvement in the local improvement district have been completely retired, the land immediately becomes liable for: (i) The amount of the special benefit assessment listed in the notice provided for in RCW 84.34.320; plus (ii) interest on the amount determined in (b)(i) of this subsection (1) compounded annually at a rate equal to the average rate of inflation from the time the initial notice is filed by the governmental entity that created the local improvement district as provided in RCW 84.34.320, to the time the bonds used to fund the improvement have been retired; plus (iii) interest on the total amount determined in (b)(i) and (ii) of this subsection (1) at a simple per annum rate equal to the average rate of inflation from the time the bonds used to fund the improvement have been retired to the time the land is withdrawn or removed from the exemption category provided by this chapter.

(c) The amount payable under this section becomes due on the date the land is withdrawn or removed from its farm and agricultural land or timberland classification and is [must be] a lien on the land prior and superior to any other lien whatsoever except for the lien for general taxes, and is enforceable in the same manner as the collection of special benefit assessments are enforced by that local government.

(2) Designation as forestland under RCW 84.33.130(1) as a result of a merger of programs adopted under RCW 84.34.400 is not considered a withdrawal, removal, or a change in use under this section. [2014 c 137 § 9; 2014 c 97 § 314; 1992 c 52 § 17; 1979 c 84 § 4.]

**Reviser's note:** This section was amended by 2014 c 97 § 314 and by 2014 c 137 § 9, each without reference to the other. Both amendments are incorporated in the publication of this section under RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

**84.34.340 Special benefit assessments for farm and agricultural land or timberland—Withdrawal or removal from classification—Notice to local government—Statement to owner of amounts payable—Delinquency date—Enforcement procedures.** (1) Whenever farm and agricultural land or timberland is withdrawn or removed from its current use classification as farm and agricultural land or timberland, except as provided in subsection (2) of this section, the county assessor of the county in which the land is located must give written notice of the withdrawal or removal to the local government or its successor that filed with the assessor the notice required by RCW 84.34.320. Upon receipt of the notice from the assessor, the local government must mail a written statement to the owner of the land for the amounts payable as provided in RCW 84.34.330. The amounts due are delinquent if not paid within one hundred eighty days after the date of mailing of the statement, and are subject to the same interest, penalties, lien priority, and enforcement procedures that are applicable to delinquent assessments on the assessment roll from which that land had been exempted, except that the rate of interest charged may not exceed the rate provided in RCW 84.34.330.

(2) Designation as forestland under RCW 84.33.130(1) as a result of a merger adopted under RCW 84.34.400 is not considered a withdrawal or removal under this section. [2014 c 137 § 10; 1992 c 52 § 18; 1979 c 84 § 5.]

**84.34.350 Special benefit assessments for farm and agricultural land—Use of payments collected.** Payments collected pursuant to RCW 84.34.330 and 84.34.340, or by enforcement procedures referred to therein, after the payment of the expenses of their collection, shall first be applied to the payment of general or special debt incurred to finance the improvements related to the special benefit assessments, and, if such debt is retired, then into the maintenance fund or general fund of the governmental entity which created the local improvement district, or its successor, for any of the following purposes: (1) Redemption or servicing of outstanding obligations of the district; (2) maintenance expenses of the district; or (3) construction or acquisition of any facilities necessary to carry out the purpose of the district. [1979 c 84 § 6.]

**84.34.360 Special benefit assessments for farm and agricultural land or timberland—Rules to implement RCW 84.34.300 through 84.34.380.** The department of revenue shall adopt rules it shall deem necessary to implement RCW 84.34.300 through 84.34.380 which shall include, but not be limited to, procedures to determine the extent to which a portion of the land otherwise exempt may be subject to a special benefit assessment for the actual connection to the domestic water system or sewerage facilities, and further to determine the extent to which all or a portion of such land may be subject to a special benefit assessment for access to the road improvement in relation to its value as farm and agricultural land or timberland as distinguished from its value under more intensive uses. The provision for limited special benefit assessments shall not relieve such land from liability for the amounts provided in RCW 84.34.330 and 84.34.340 when such land is withdrawn or removed from its current use classification as farm and agricultural land or timberland. [1992 c 69 § 18; 1992 c 52 § 19; 1979 c 84 § 7.]

**Reviser's note:** This section was amended by 1992 c 52 § 19 and by 1992 c 69 § 18, each without reference to the other. Both amendments are incorporated in the publication of this section pursuant to RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

**84.34.370 Special benefit assessments for farm and agricultural land or timberland—Assessments due on land withdrawn or removed *(as amended by 2014 c 97).*** Whenever a portion of a parcel of land which was classified as farm and agricultural or timberland pursuant to this chapter is withdrawn or removed from classification ((~~or there is a change in use~~)), and such land has been exempted from any benefit assessments pursuant to RCW 84.34.320, the previously exempt benefit assessments ((~~shall~~)) become due on only that portion of the land which is withdrawn or ((~~changed~~)) removed. [2014 c 97 § 315; 1992 c 52 § 20; 1979 c 84 § 8.]

**84.34.370 Special benefit assessments for farm and agricultural land or timberland—Assessments due on land withdrawn or changed *(as amended by 2014 c 137).*** (1) Except as provided in subsection (2) of this section, whenever a portion of a parcel of land ((~~which~~)) that was classified as farm and agricultural or timberland ((~~pursuant to~~)) under this chapter is withdrawn or removed from classification or there is a change in use, and ((~~such~~)) the land has been exempted from any benefit assessments ((~~pursuant to~~)) under RCW 84.34.320, the previously exempt benefit assessments ((~~shall~~)) become due on only that portion of the land ((~~which~~)) that is withdrawn, removed, or changed.

(2) Designation as forestland under RCW 84.33.130(1) as a result of a merger of programs adopted under RCW 84.34.400 is not considered a withdrawal, removal, or a change in use under this section. [2014 c 137 § 11; 1992 c 52 § 20; 1979 c 84 § 8.]

**Reviser's note:** RCW 84.34.370 was amended twice during the 2014 legislative session, each without reference to the other. For rule of construc-

tion concerning sections amended more than once during the same legislative session, see RCW 1.12.025.

**84.34.380 Special benefit assessments for farm and agricultural land or timberland—Application of exemption to rights and interests preventing nonagricultural or nonforest uses.** Farm and agricultural land or timberland on which the right to future development has been acquired by any local government, the state of Washington, or the United States government shall be exempt from special benefit assessments in lieu of assessment for such purposes in the same manner, and under the same liabilities for payment and interest, as land classified under this chapter as farm and agricultural land or timberland, for as long as such classification applies.

Any interest, development right, easement, covenant, or other contractual right which effectively protects, preserves, maintains, improves, restores, prevents the future nonagricultural or nonforest use of, or otherwise conserves farm and agricultural land or timberland shall be exempt from special benefit assessments as long as such development right or other such interest effectively serves to prevent nonagricultural or nonforest development of such land. [1992 c 52 § 21; 1979 c 84 § 9.]

**84.34.390 Application—Chapter 79.44 RCW—Assessments against public lands.** Nothing in RCW 84.34.300 through 84.34.340 or 84.34.360 through 84.34.380 shall amend the provisions of chapter 79.44 RCW. [1992 c 52 § 25.]

**84.34.400 County option to merge timberland and designated forestland programs.** (1) A county legislative authority may opt to merge its timberland classification with its designated forestland program. To merge the programs, the authority must enact an ordinance that:

(a) Terminates the timberland classification; and

(b) Declares that the land that had been classified as timberland is designated forestland under chapter 84.33 RCW.

(2) After a county timberland program is terminated:

(a) Land that had been classified as timberland within the county is deemed to be designated forestland under the provisions of RCW 84.33.130(1) and is no longer considered to be classified timberland for the purposes of this chapter; and

(b) Any agreement prepared by the granting authority when an application was approved classifying land as timberland is terminated and no longer in effect.

(3) A county must notify the department after taking action under this section. The department must maintain a list of all counties that have provided this notice on their agency internet website. [2014 c 137 § 5.]

**84.34.410 Application—Cannabis land uses.** The provisions of this chapter do not apply with respect to land used in the growing, raising, or producing of cannabis, useable cannabis, or cannabis-infused products as those terms are defined under RCW 69.50.101. [2022 c 16 § 166; 2014 c 140 § 27.]

**Intent—Finding—2022 c 16:** See note following RCW 69.50.101.

**84.34.910 Effective date—1970 ex.s. c 87.** The provisions of this act shall take effect on January 1, 1971. [1970 ex.s. c 87 § 16.]

**84.34.922 Severability—1979 c 84.** 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. [1979 c 84 § 11.]

**84.34.923 Effective date—1992 c 69.** This act shall take effect January 1, 1993. [1992 c 69 § 22.]

## Chapter 84.36 RCW
## EXEMPTIONS

Sections

*Burying places: RCW 68.24.220.*

*Cemetery associations: RCW 68.20.110, 68.20.120.*

*Columbia Basin project: RCW 89.12.120.*

*Conservation districts: Chapter 89.08 RCW.*

*Consumer loan act: Chapter 31.04 RCW.*

*Credit unions: Chapter 31.12 RCW.*

*Federal agencies and instrumentalities: State Constitution Art. 7 §§ 1, 3; Title 37 RCW.*

*Flood control district property: RCW 86.09.520.*

*Irrigation district property: RCW 87.03.260.*

*Local improvement trust property: RCW 35.53.010.*

*Olympic National Park: RCW 37.08.210.*

*Open space, agricultural, timberlands—Current use—Conservation futures: Chapter 84.34 RCW.*

*Privilege taxes: Chapter 54.28 RCW.*

*Public utility districts—Taxation: RCW 54.16.080.*

*Rainier National Park: RCW 37.08.200.*

*Savings and loan associations: RCW 33.28.040.*

*Termination of tax preferences: Chapter 43.136 RCW.*

*Timber and forestlands: Chapter 84.33 RCW.*

*Timber property tax exemption: RCW 84.33.040.*

**84.36.005 Property subject to taxation.** All property now existing, or that is hereafter created or brought into this state, shall be subject to assessment and taxation for state, county, and other taxing district purposes, upon equalized valuations thereof, fixed with reference thereto on the first day of January at twelve o'clock meridian in each year, excepting such as is exempted from taxation by law. [1961 c 15 § 84.36.005. Prior: 1955 c 196 § 2; prior: 1939 c 206 § 8, part; 1933 ex.s. c 19 § 1, part; 1933 c 115 § 1, part; 1929 c 126 § 1, part; 1925 ex.s. c 130 § 7, part; 1915 c 131 § 1, part; 1903 c 178 § 1, part; 1901 c 176 § 1, part; 1899 c 141 § 2, part; 1897 c 71 §§ 1, 5, part; 1895 c 176 § 2, part; 1893 c 124 §§ 1, 5, part; 1891 c 140 §§ 1, 5, part; 1890 p 532 §§ 1, 5, part; 1886 p 47 § 1, part; Code 1881 § 2829, part; 1871 p 37 § 4, part; 1869 p 176 § 4, part; 1867 p 61 § 2, part; 1854 p 331 § 2, part; RRS § 11111, part. Formerly RCW 84.40.010.]

**84.36.010 Public, certain public-private and tribal property exempt.** (1) All property belonging exclusively to the United States, the state, or any county or municipal corporation; all property belonging exclusively to any federally recognized Indian tribe, if (a) the tribe is located in the state, and (b) the property is used exclusively for essential government services; all state route number 16 corridor transportation systems and facilities constructed under chapter 47.46 RCW; all property under a financing contract pursuant to chapter 39.94 RCW or recorded agreement granting immediate possession and use to the public bodies listed in this section or under an order of immediate possession and use pursuant to RCW 8.04.090; and, for a period of forty years from acquisition, all property of a community center; is exempt from taxation. All property belonging exclusively to a foreign

national government is exempt from taxation if that property is used exclusively as an office or residence for a consul or other official representative of the foreign national government, and if the consul or other official representative is a citizen of that foreign nation.

(2) For the purposes of this section the following definitions apply unless the context clearly requires otherwise.

(a) "Community center" means property, including a building or buildings, determined to be surplus to the needs of a district by a local school board, and purchased or acquired by a nonprofit organization for the purposes of converting them into community facilities for the delivery of nonresidential coordinated services for community members. The community center may make space available to businesses, individuals, or other parties through the loan or rental of space in or on the property.

(b) "Essential government services" means services such as tribal administration, public facilities, fire, police, public health, education, sewer, water, environmental and land use, transportation, utility services, and economic development.

(c) "Economic development" means commercial activities, including those that facilitate the creation or retention of businesses or jobs, or that improve the standard of living or economic health of tribal communities. [2020 c 272 § 1; 2014 c 207 § 5; 2010 c 281 § 1; 2004 c 236 § 1; 1998 c 179 § 8; 1990 c 47 § 2; 1971 ex.s. c 260 § 1; 1969 c 34 § 1. Prior: 1967 ex.s. c 149 § 31; 1967 ex.s. c 145 § 35; 1961 c 15 § 84.36.010; prior: 1955 c 196 § 3; prior: 1939 c 206 § 8, part; 1933 ex.s. c 19 § 1, part; 1933 c 115 § 1, part; 1929 c 126 § 1, part; 1925 ex.s. c 130 § 7, part; 1915 c 131 § 1, part; 1903 c 178 § 1, part; 1901 c 176 § 1, part; 1899 c 141 § 2, part; 1897 c 71 §§ 1, 5, part; 1895 c 176 § 2, part; 1893 c 124 §§ 1, 5, part; 1891 c 140 §§ 1, 5, part; 1890 p 532 §§ 1, 5, part; 1886 p 47 § 1, part; Code 1881 § 2829, part; 1871 p 37 § 4, part; 1869 p 176 § 4, part; 1867 p 61 § 2, part; 1854 p 331 § 2, part; RRS § 11111, part. Formerly RCW 84.40.010.]

**Automatic expiration date and tax preference performance statement exemption—2020 c 272:** "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act." [2020 c 272 § 6.]

**Tax preference performance statement—2014 c 207 § 5:** "This section is the tax preference performance statement for the tax preference contained in section 5 of this act. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(1) The legislature categorizes this tax preference as one intended to create jobs and improve the economic health of tribal communities as indicated in RCW 82.32.808(2) (c) and (f).

(2) It is the legislature's specific public policy objective to create jobs and improve the economic health of tribal communities. It is the legislature's intent to exempt property used by federally recognized Indian tribes for economic development purposes, in order to achieve these policy objectives.

(3) The joint legislative audit and review committee must perform an economic impact report to the legislature as required in *section 10 of this act to provide the information necessary to measure the effectiveness of this act." [2014 c 207 § 1.]

***Reviser's note:** The reference to section 10 of this act appears to be erroneous. Reference to section 11 of this act (RCW 43.136.090) was apparently intended.

**Application—2014 c 207:** "This act applies to taxes levied for collection in 2015 and thereafter." [2014 c 207 § 13.]

**Finding—1998 c 179:** See note following RCW 35.21.718.

Additional notes found at www.leg.wa.gov

**84.36.012 Tribal property exemption—Application.** (1) To qualify in any year for exempt status for real or personal property used exclusively for essential government services under RCW 84.36.010, a federally recognized Indian tribe must file an initial application with the department of revenue on or before October 1st of the prior year. All applications must be filed on forms prescribed by the department and signed by an authorized agent of the federally recognized tribe.

(2) If the use for essential government services is based in whole or in part on economic development, the application must also include:

(a) If the economic development activities are those of a lessee, a declaration from both the federally recognized tribe and the lessee confirming a lease agreement exists for the exempt tax year.

(b) If the property is subject to the payment in lieu of leasehold excise tax as described in RCW 82.29A.055, a declaration from both the federally recognized tribe and the county in which the property is located confirming that an agreement exists for the exempt tax year regarding the amount for the payment in lieu of leasehold excise tax.

(3) A federally recognized Indian tribe which files an application under the requirements of subsection (2) of this section, must file an annual renewal application, on forms prescribed by the department of revenue, on or before October 1st of each year. The application must contain a declaration certifying the continuing exempt status of the real or personal property, and that the lease agreement or agreement for payment in lieu of leasehold excise tax continue in good standing, or that a new lease or agreement exists. [2014 c 207 § 9.]

**Application—2014 c 207:** See note following RCW 84.36.010.

**84.36.015 Property valued at less than five hundred dollars—Exceptions.** (1) Each parcel of real property, and each personal property account, that has an assessed value of less than five hundred dollars is exempt from taxation.

(2) This section does not apply to personal property to which the exemption from taxation under RCW 84.36.110(2) may be applied or to real property which qualifies for preferential tax treatment under this chapter or chapter 84.14, 84.26, 84.33, or 84.34 RCW. [1997 c 244 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.020 Cemeteries, churches, parsonages, convents, and grounds.** The following real and personal property shall be exempt from taxation:

(1) All lands, buildings, and personal property required for necessary administration and maintenance, used, or to the extent used, exclusively for public burying grounds or cemeteries without discrimination as to race, color, national origin or ancestry;

(2)(a) All churches, personal property, and the ground, not exceeding five acres in area, upon which a church of any nonprofit recognized religious denomination is or must be built, together with a parsonage, convent, and buildings and improvements required for the maintenance and safeguarding of such property. The area exempted must in any case include all ground covered by the church, parsonage, convent, and buildings and improvements required for the maintenance

and safeguarding of such property and the structures and ground necessary for street access, parking, light, and ventilation, but the area of unoccupied ground exempted in such cases, in connection with church, parsonage, convent, and buildings and improvements required for the maintenance and safeguarding of such property, shall not exceed the equivalent of one hundred twenty by one hundred twenty feet except where additional unoccupied land may be required to conform with state or local codes, zoning, or licensing requirements. The parsonage and convent need not be on land contiguous to the church property. Except as otherwise provided in this subsection, to be exempt the property must be wholly used for church purposes.

(b) If the rental income or donations, if applicable, are reasonable and do not exceed the maintenance and operation expenses attributable to the portion of the property loaned or rented, the exemption provided by this subsection (2) is not nullified by:

(i) The loan or rental of property otherwise exempt under this subsection (2) to a nonprofit organization, association, or corporation, or school to conduct an eleemosynary activity;

(ii) The rental or use of the property by any individual, group, or entity, where such rental or use is not otherwise authorized by this subsection (2), for not more than fifty days in each calendar year, and the property is not used for pecuniary gain or to promote business activities for more than fifteen of the fifty days in each calendar year. The fifty and fifteen-day limitations provided in this subsection (2)(b)(ii) do not include days during which setup and takedown activities take place immediately preceding or following a meeting or other event by an individual, group, or entity using the property as provided in this subsection (2)(b)(ii). The 15-day and 50-day limitations provided in this subsection (2)(b)(ii) do not apply to the use of the property for pecuniary gain or for business activities if the property is used for activities related to a qualifying farmers market, as defined in RCW 66.24.170, and all income received from rental or use of the exempt property is used for capital improvements to the exempt property, maintenance and operation of the exempt property, or exempt purposes. The exempt property may be used for up to 53 days for the purposes of a qualifying farmers market; or

(iii) An inadvertent use of the property in a manner inconsistent with the purpose for which exemption is granted, if the inadvertent use is not part of a pattern of use. A pattern of use is presumed when an inadvertent use is repeated in the same assessment year or in two or more successive assessment years. [2022 c 84 § 1; 2014 c 99 § 3; (2014 c 99 § 2 expired December 31, 2020); (2010 c 186 § 2 expired December 31, 2020); 1994 c 124 § 16; 1975 1st ex.s. c 291 § 12; 1973 2nd ex.s. c 40 § 1; 1971 ex.s. c 64 § 3; 1961 c 103 § 3; 1961 c 15 § 84.36.020. Prior: 1955 c 196 § 4; prior: 1939 c 206 § 8, part; 1933 ex.s. c 19 § 1, part; 1933 c 115 § 1, part; 1929 c 126 § 1, part; 1925 ex.s. c 130 § 7, part; 1915 c 131 § 1, part; 1903 c 178 § 1, part; 1901 c 176 § 1, part; 1899 c 141 § 2, part; 1897 c 71 §§ 1, 5, part; 1895 c 176 § 2, part; 1893 c 124 §§ 1, 5, part; 1891 c 140 §§ 1, 5, part; 1890 p 532 §§ 1, 5, part; 1886 p 47 § 1, part; Code 1881 § 2829, part; 1871 p 37 § 4, part; 1869 p 176 § 4, part; 1867 p 61 § 2, part; 1854 p 331 § 2, part; RRS § 11111, part. Formerly RCW 84.40.010.]

**Retroactive application—2022 c 84:** "This act applies both retroactively and prospectively to taxes levied for collection in 2021 and thereafter." [2022 c 84 § 3.]

**Tax preference performance statement exemption—Automatic expiration date exemption—2022 c 84:** "RCW 82.32.805 and 82.32.808 do not apply to this act." [2022 c 84 § 4.]

**Effective date—2014 c 99 §§ 3 and 8:** "Sections 3 and 8 of this act take effect December 31, 2020." [2014 c 99 § 15.]

**Expiration date—2014 c 99 §§ 2 and 7:** "Sections 2 and 7 of this act expire December 31, 2020." [2014 c 99 § 16.]

**Findings—Intent—2014 c 99:** "The legislature finds that tax-exempt property of nonprofit organizations may generally be used for nonexempt purposes on a limited basis. However, the legislature further finds that these allowable nonexempt uses, and the conditions applicable to such uses, vary depending on the specific exemption. The legislature further finds that these inconsistencies create inequities and confusion for nonprofits, leads to piecemeal legislation, and complicates the administration of nonprofit property tax exemptions. Therefore, this act is intended to address these problems by providing greater consistency with respect to how nonprofits may use their tax-exempt property for nonexempt purposes. This act is not intended to place any additional limits or restrictions on any existing statutorily authorized nonexempt uses of exempt property of nonprofit organizations." [2014 c 99 § 1.]

**Tax preference performance statement—Does not apply—2014 c 99:** "Sections 1701 and 1702, chapter 13, Laws of 2013 2nd sp. sess. do not apply to this act." [2014 c 99 § 14.]

*Burial lot for particular person: RCW 68.24.220.*

*Nonprofit cemetery associations, certain exemptions: RCW 68.20.110, 68.20.120.*

Additional notes found at www.leg.wa.gov

**84.36.030 Property used for character building, benevolent, protective or rehabilitative social services—Camp facilities—Veteran or relief organization owned property—Property of nonprofit organizations that issue debt for student loans or that are guarantee agencies.** The following real and personal property is exempt from taxation:

(1)(a) Property owned by nonprofit organizations or associations, organized and conducted for nonsectarian purposes, which shall be used for character-building, benevolent, protective or rehabilitative social services directed at persons of all ages.

(b) The sale of donated merchandise is not considered a nonexempt use of the property under this section if the proceeds are devoted to the furtherance of the purposes of the selling organization or association as specified in this subsection (1).

(2) Property owned by any nonprofit church, denomination, group of churches, or an organization or association, the membership of which is comprised solely of churches or their qualified representatives, which is utilized as a camp facility if used for organized and supervised recreational activities and church purposes as related to such camp facilities. The exemption provided by this paragraph shall apply to a maximum of two hundred acres of any such camp as selected by the church, including buildings and other improvements thereon.

(3) Property, including buildings and improvements required for the maintenance and safeguarding of such property, owned by nonprofit organizations or associations engaged in character building of boys and girls under eighteen years of age, and used for such purposes and uses, provided such purposes and uses are for the general public good: PROVIDED, That if existing charters provide that organizations or associations, which would otherwise qualify under

the provisions of this paragraph, serve boys and girls up to the age of twenty-one years, then such organizations or associations shall be deemed qualified pursuant to this section.

(4) Property owned by all organizations and societies of veterans of any war of the United States, recognized as such by the department of defense, which shall have national charters, and which shall have for their general purposes and objects the preservation of the memories and associations incident to their war service and the consecration of the efforts of their members to mutual helpfulness and to patriotic and community service to state and nation. To be exempt such property must be used in such manner as may be reasonably necessary to carry out the purposes and objects of such societies.

(5) Property owned by all corporations, incorporated under any act of congress, whose principal purposes are to furnish volunteer aid to members of the armed forces of the United States and also to carry on a system of national and international relief and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, floods, and other national calamities and to devise and carry on measures for preventing the same.

(6) Property owned by nonprofit organizations exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1954, as amended, that are guarantee agencies under the federal guaranteed student loan program or that issue debt to provide or acquire student loans.

(7) To be exempt under this section, the property must be used exclusively for the purposes for which exemption is granted, except as otherwise provided in this section or RCW 84.36.805.

(8) For the purposes of this section, "general public good" means members of the community derive a benefit from the rental or use of the property by the nonprofit community group or organization. [2014 c 99 § 4; 2006 c 305 § 1; 1993 c 327 § 2; 1990 c 283 § 6; 1987 c 433 § 2; 1984 c 220 § 1; 1983 1st ex.s. c 25 § 1; 1973 2nd ex.s. c 40 § 2. Prior: 1971 ex.s. c 292 § 70; 1971 ex.s. c 64 § 1; 1969 c 137 § 1; 1961 c 15 § 84.36.030; prior: 1955 c 196 § 5; prior: (i) 1939 c 206 § 8, part; 1933 ex.s. c 19 § 1, part; 1933 c 115 § 1, part; 1929 c 126 § 1, part; 1925 ex.s. c 130 § 7, part; 1915 c 131 § 1, part; 1903 c 178 § 1, part; 1901 c 176 § 1, part; 1899 c 141 § 2, part; 1897 c 71 §§ 1, 5, part; 1895 c 176 § 2, part; 1893 c 124 §§ 1, 5, part; 1891 c 140 §§ 1, 5, part; 1890 p 532 §§ 1, 5, part; 1886 p 47 § 1, part; Code 1881 § 2829, part; 1871 p 37 § 4, part; 1869 p 176 § 4, part; 1867 p 61 § 2, part; 1854 p 331 § 2, part; RRS § 11111, part. (ii) 1945 c 109 § 1; Rem. Supp. 1945 § 11111a.]

**Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99:** See notes following RCW 84.36.020.

Additional notes found at www.leg.wa.gov

**84.36.031 Clarification of exemption in RCW 84.36.030.** (1) Except as provided otherwise in subsection (2) of this section, property leased, loaned, sold with the option to repurchase, or otherwise made available to organizations described in RCW 84.36.030 is not exempt from taxation.

(2) Property remains eligible for the exemption under RCW 84.36.030, if:

(a) The property is owned by an organization exempt under RCW 84.36.020 or 84.36.030 that loans, leases, or rents the property to another organization for the exempt purposes provided in RCW 84.36.030; or

(b) The property is owned by an entity formed exclusively for the purpose of leasing the property to an organization that will use the property for the exempt purpose provided in RCW 84.36.030, if:

(i) The lessee uses the property for the exempt purposes provided in RCW 84.36.030;

(ii) The immediate previous owner of the property had received an exemption under RCW 84.36.020 or 84.36.030 for the property; and

(iii) The benefit of the exemption inures to the benefit of the lessee organization. [2012 c 76 § 1; 2006 c 305 § 2; 1969 c 137 § 2.]

**84.36.032 Administrative offices of nonprofit religious organizations.** The real and personal property of the administrative offices of nonprofit recognized religious organizations shall be exempt to the extent that the property is used for the administration of the religious programs of the organization and such other programs as would be exempt under RCW 84.36.020 and 84.36.030 as now or hereafter amended. The provisions of RCW 84.36.020(2)(b) apply to this section. [2014 c 99 § 5; 1975 1st ex.s. c 291 § 13.]

**Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99:** See notes following RCW 84.36.020.

Additional notes found at www.leg.wa.gov

**84.36.035 Property used by qualifying blood, tissue, or blood and tissue banks.** (1) The following property is exempt from taxation: All property, whether real or personal, belonging to or leased by any nonprofit corporation or association and used exclusively in the business of a qualifying blood bank, a qualifying tissue bank, or a qualifying blood and tissue bank, or in the administration of these businesses. If the real or personal property is leased, the benefit of the exemption shall inure to the nonprofit corporation or association.

(2) The definitions in RCW 82.04.324 apply to this section.

(3) To be exempt under this section, the property must be used exclusively for the purposes for which exemption is granted, except as provided in RCW 84.36.805. [2014 c 99 § 6; 2004 c 82 § 4; 1995 2nd sp.s. c 9 § 1; 1971 ex.s. c 206 § 1.]

**Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99:** See notes following RCW 84.36.020.

Additional notes found at www.leg.wa.gov

**84.36.037 Nonprofit organization property connected with operation of public assembly hall or meeting place.** (1) Real or personal property owned by a nonprofit organization, association, or corporation in connection with the operation of a public assembly hall or meeting place is exempt from taxation. The area exempt under this section includes the building or buildings, the land under the buildings, and an additional area necessary for parking, not exceeding a total of one acre. When property for which exemption is sought is essentially unimproved except for restroom facilities and structures and this property has been

used primarily for annual community celebration events for at least ten years, the exempt property shall not exceed twenty-nine acres.

(2) To qualify for this exemption the property must be used exclusively for public gatherings and be available to all organizations or persons desiring to use the property, but the owner may impose conditions and restrictions which are necessary for the safekeeping of the property and promote the purposes of this exemption. Membership shall not be a prerequisite for the use of the property.

(3) The use of the property for pecuniary gain or for business activities, except as provided in this section and RCW 84.36.805, nullifies the exemption otherwise available for the property for the assessment year. If all income received from rental or use of the exempt property is used for capital improvements to the exempt property, maintenance and operation of the exempt property, or exempt purposes, the exemption is not nullified as provided by RCW 84.36.805 or by the use of the property, in a county with a population of less than twenty thousand, to promote the following business activities, if the rental income or donations, if any, are reasonable and do not exceed the maintenance and operation expenses attributable to the portion of the property loaned or rented: Dance lessons, art classes, or music lessons.

(4) The department of revenue must narrowly construe this exemption. [2014 c 99 § 8; (2014 c 99 § 7 expired December 31, 2020); (2010 c 186 § 1 expired December 31, 2020); 2006 c 305 § 3. Prior: 1998 c 311 § 19; 1998 c 189 § 1; 1997 c 298 § 1; 1993 c 327 § 1; 1987 c 505 § 80; 1981 c 141 § 2.]

**Effective date—2014 c 99 §§ 3 and 8:** See note following RCW 84.36.020.

**Expiration date—2014 c 99 §§ 2 and 7:** See note following RCW 84.36.020.

**Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99:** See notes following RCW 84.36.020.

Additional notes found at www.leg.wa.gov

**84.36.040 Nonprofit child day care centers, libraries, orphanages, homes or hospitals for the sick or infirm, outpatient dialysis facilities.** (1) The real and personal property used by, and for the purposes of, the following nonprofit organizations is exempt from property taxation:

(a) Child day care centers as defined in subsection (4) of this section;

(b) Free public libraries;

(c) Orphanages and orphan asylums;

(d) Homes for the sick or infirm;

(e) Hospitals for the sick; and

(f) Outpatient dialysis facilities.

(2) The real and personal property leased to and used by a hospital for hospital purposes is exempt from property taxation if the hospital is established under chapter 36.62 RCW or is owned and operated by a public hospital district established under chapter 70.44 RCW.

(3) To be exempt under this section, the property must be used exclusively for the purposes for which exemption is granted, except as provided in RCW 84.36.805, and the benefit of the exemption must inure to the user.

(4) For purposes of subsection (1) of this section, "child day care center" means a nonprofit organization that regularly provides child day care and early learning services for a group of children for periods of less than twenty-four hours. [2010 c 106 § 305; 2001 c 126 § 1; 1989 c 379 § 1; 1987 c 31 § 1; 1984 c 220 § 2; 1973 2nd ex.s. c 40 § 3; 1973 1st ex.s. c 154 § 119; 1969 ex.s. c 245 § 1; 1961 c 15 § 84.36.040. Prior: 1955 c 196 § 6; prior: 1939 c 206 § 8, part; 1933 ex.s. c 19 § 1, part; 1933 c 115 § 1, part; 1929 c 126 § 1, part; 1925 ex.s. c 130 § 7, part; 1915 c 131 § 1, part; 1903 c 178 § 1, part; 1901 c 176 § 1, part; 1899 c 141 § 2, part; 1897 c 71 §§ 1, 5, part; 1895 c 176 § 2, part; 1893 c 124 §§ 1, 5, part; 1891 c 140 §§ 1, 5, part; 1890 p 532 §§ 1, 5, part; 1886 p 47 § 1, part; Code 1881 § 2829, part; 1871 p 37 § 4, part; 1869 p 176 § 4, part; 1867 p 61 § 2, part; 1854 p 331 § 2, part; RRS § 11111, part.]

Additional notes found at www.leg.wa.gov

**84.36.041 Nonprofit homes for the aging.** (1) All real and personal property used by a nonprofit home for the aging that is reasonably necessary for the purposes of the home is exempt from taxation if the benefit of the exemption inures to the home and:

(a) At least fifty percent of the occupied dwelling units in the home are occupied by eligible residents; or

(b) The home is subsidized under a federal department of housing and urban development program. The department of revenue must provide by rule a definition of homes eligible for exemption under this subsection (1)(b), consistent with the purposes of this section.

(2) All real and personal property used by a nonprofit home for the aging that is reasonably necessary for the purposes of the home is exempt from taxation if the benefit of the exemption inures to the home and the construction, rehabilitation, acquisition, or refinancing of the home is financed under a program using bonds exempt from federal income tax if at least seventy-five percent of the total amount financed uses the tax exempt bonds and the financing program requires the home to reserve a percentage of all dwelling units so financed for low-income residents. The initial term of the exemption under this subsection must equal the term of the tax exempt bond used in connection with the financing program, or the term of the requirement to reserve dwelling units for low-income residents, whichever is shorter. If the financing program involves less than the entire home, only those dwelling units included in the financing program are eligible for total exemption. The department of revenue must provide by rule the requirements for monitoring compliance with the provisions of this subsection and the requirements for exemption including:

(a) The number or percentage of dwelling units required to be occupied by low-income residents, and a definition of low income;

(b) The type and character of the dwelling units, whether independent units or otherwise; and

(c) Any particular requirements for continuing care retirement communities.

(3) A home for the aging is eligible for a partial exemption on the real property and a total exemption for the home's personal property if the home does not meet the requirements of subsection (1) of this section because fewer than fifty percent of the occupied dwelling units are occupied by eligible residents, as follows:

(a) A partial exemption must be allowed for each dwelling unit in a home occupied by a resident requiring assistance with activities of daily living.

(b) A partial exemption must be allowed for each dwelling unit in a home occupied by an eligible resident.

(c) A partial exemption must be allowed for an area jointly used by a home for the aging and by a nonprofit organization, association, or corporation currently exempt from property taxation under one of the other provisions of this chapter. The shared area must be reasonably necessary for the purposes of the nonprofit organization, association, or corporation exempt from property taxation under one of the other provisions of this chapter, such as kitchen, dining, and laundry areas.

(d) The amount of exemption must be calculated by multiplying the assessed value of the property reasonably necessary for the purposes of the home, less the assessed value of any area exempt under (c) of this subsection, by a fraction. The numerator of the fraction is the number of dwelling units occupied by eligible residents and by residents requiring assistance with activities of daily living. The denominator of the fraction is the total number of occupied dwelling units as of December 31st of the first assessment year the home becomes operational for which exemption is claimed and January 1st of each subsequent assessment year for which exemption is claimed.

(4) To be exempt under this section, the property must be used exclusively for the purposes for which the exemption is granted, except as provided in RCW 84.36.805.

(5) A home for the aging is exempt from taxation only if the organization operating the home is exempt from income tax under section 501(c) of the federal internal revenue code as existing on January 1, 1989, or such subsequent date as the director may provide by rule consistent with the purposes of this section.

(6) In order for the home to be eligible for exemption under subsections (1)(a) and (3)(b) of this section, each eligible resident of a home for the aging must submit an income verification form to the county assessor by July 1st of the assessment year for which exemption is claimed. However, during the first year a home becomes operational, the county assessor must accept income verification forms from eligible residents up to December 31st of the assessment year. The income verification form must be prescribed and furnished by the department of revenue. An eligible resident who has filed a form for a previous year need not file a new form until there is a change in status affecting the person's eligibility.

(7) In determining the true and fair value of a home for the aging for purposes of the partial exemption provided by subsection (3) of this section, the assessor must apply the computation method provided by RCW 84.34.060 and may consider only the use to which such property is applied during the years for which such partial exemptions are available and may not consider potential uses of such property.

(8) As used in this section:

(a) "Eligible resident" means a person who:

(i) Occupied the dwelling unit as a principal place of residence as of December 31st of the first assessment year the home becomes operational. In each subsequent year, the eligible resident must occupy the dwelling unit as a principal place of residence as of January 1st of the assessment year for which the exemption is claimed. Confinement of the person to a hospital or nursing home does not disqualify the claim of exemption if the dwelling unit is temporarily unoccupied or if the dwelling unit is occupied by a spouse or a domestic partner, a person financially dependent on the claimant for support, or both; and

(ii) Is sixty-one years of age or older on December 31st of the year in which the exemption claim is filed, or is, at the time of filing, retired from regular gainful employment by reason of disability as defined in RCW 84.36.383. Any surviving spouse or surviving domestic partner of a person who was receiving an exemption at the time of the person's death qualifies if the surviving spouse or surviving domestic partner is fifty-seven years of age or older and otherwise meets the requirements of this subsection; and

(iii) Has a combined disposable income of no more than the greater of twenty-two thousand dollars or eighty percent of the median income adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the person resides. For the purposes of determining eligibility under this section, a "cotenant" means a person who resides with an eligible resident and who shares personal financial resources with the eligible resident.

(b) "Combined disposable income" means the disposable income of the person submitting the income verification form, plus the disposable income of his or her spouse or domestic partner, and the disposable income of each cotenant occupying the dwelling unit for the preceding calendar year, less amounts paid by the person submitting the income verification form or his or her spouse or domestic partner or cotenant during the previous year for the treatment or care of either person received in the dwelling unit or in a nursing home. If the person submitting the income verification form was retired for two months or more of the preceding year, the combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person during the months such person was retired by twelve. If the income of the person submitting the income verification form is reduced for two or more months of the preceding year by reason of the death of the person's spouse or domestic partner, the combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person after the death of the spouse or domestic partner by twelve.

(c) "Disposable income" means adjusted gross income as defined in the federal internal revenue code, as amended prior to January 1, 1989, or such subsequent date as the director may provide by rule consistent with the purpose of this section, plus all of the following items to the extent they are not included in or have been deducted from adjusted gross income:

(i) Capital gains, other than gain excluded from income under section 121 of the federal internal revenue code to the extent it is reinvested in a new principal residence;

(ii) Amounts deducted for loss;

(iii) Amounts deducted for depreciation;

(iv) Pension and annuity receipts;

(v) Military pay and benefits other than attendant-care and medical-aid payments;

(vi) Veterans benefits other than attendant-care and medical-aid payments;

(vii) Federal social security act and railroad retirement benefits;

(viii) Dividend receipts; and

(ix) Interest received on state and municipal bonds.

(d) "Resident requiring assistance with activities of daily living" means a person who requires significant assistance with the activities of daily living and who would be at risk of nursing home placement without this assistance.

(e) "Home for the aging" means a residential housing facility that (i) provides a housing arrangement chosen voluntarily by the resident, the resident's guardian or conservator, or another responsible person; (ii) has only residents who are at least sixty-one years of age or who have needs for care generally compatible with persons who are at least sixty-one years of age; and (iii) provides varying levels of care and supervision, as agreed to at the time of admission or as determined necessary at subsequent times of reappraisal.

(9) A for-profit home for the aging that converts to nonprofit status after June 11, 1992, and would otherwise be eligible for tax exemption under this section may not receive the tax exemption until five years have elapsed since the conversion. The exemption must then be ratably granted over the next five years. [2015 c 86 § 312; 2008 c 6 § 707; 2001 c 187 § 14. Prior: 1999 c 358 § 16; 1999 c 356 § 1; 1998 c 311 § 20; 1997 c 3 § 124 (Referendum Bill No. 47, approved November 4, 1997); 1993 c 151 § 1; 1992 c 213 § 1; 1991 sp.s. c 24 § 1; 1991 c 203 § 2; 1989 c 379 § 2.]

Additional notes found at www.leg.wa.gov

**84.36.042 Nonprofit organization, corporation, or association property used to provide housing for persons with developmental disabilities.** (1) All real and personal property owned or leased by a nonprofit organization, corporation, or association to provide housing for eligible persons with developmental disabilities is exempt from property taxation.

(a) To qualify for this exemption, the nonprofit organization, corporation, or association must be qualified for exemption under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)). It must also have been organized for charitable purposes to create and preserve long-term affordable housing for low-income developmentally disabled persons.

(b) The housing must be occupied by eligible persons who have a low income.

(2) As used in this section:

(a) "Developmental disability" means the same as defined in RCW 71A.10.020;

(b) "Eligible person" means the same as defined in RCW 71A.10.020; and

(c) "Low income" means the adjusted gross income of the resident is at eighty percent or less of the median income adjusted for family size, as most recently determined by the federal department of housing and urban development for the county in which the housing is located and in effect as of January 1st of the assessment year for which the exemption is sought. "Adjusted gross income" is as defined in the federal internal revenue code of 1986, as it exists on June 11, 1998, or such subsequent date as the director may provide by rule consistent with the purpose of this section.

(3) To be exempt under this section, the property must be used exclusively for the purposes for which the exemption is granted, except as provided in RCW 84.36.805.

(4) If the real or personal property for which exemption is sought is leased, the benefit of the exemption must inure to the nonprofit organization, corporation, or association leasing the property to provide the housing for developmentally disabled persons. [1998 c 202 § 1.]

**84.36.043 Nonprofit organization property used in providing emergency or transitional housing to low-income homeless persons or victims of domestic violence.** (1) The real and personal property used by a nonprofit organization in providing emergency or transitional housing for low-income homeless persons as defined in RCW 35.21.685 or 36.32.415 or victims of domestic violence who are homeless for personal safety reasons is exempt from taxation if:

(a) The charge, if any, for the housing does not exceed the actual cost of operating and maintaining the housing; and

(b)(i) The property is owned by the nonprofit organization; or

(ii) The property is rented or leased by the nonprofit organization and the benefit of the exemption inures to the nonprofit organization.

(2) As used in this section:

(a) "Homeless" means persons, including families, who, on one particular day or night, do not have decent and safe shelter nor sufficient funds to purchase or rent a place to stay.

(b) "Emergency housing" means a project that provides housing and supportive services to homeless persons or families for up to sixty days.

(c) "Transitional housing" means a project that provides housing and supportive services to homeless persons or families for up to two years and that has as its purpose facilitating the movement of homeless persons and families into independent living.

(3) This exemption is subject to the administrative provisions contained in RCW 84.36.800 through 84.36.865. [1998 c 174 § 1; 1991 c 198 § 1; 1990 c 283 § 2; 1983 1st ex.s. c 55 § 12.]

Additional notes found at www.leg.wa.gov

**84.36.045 Nonprofit organization property available without charge for medical research or training of medical personnel.** All real and personal property owned or used by any nonprofit corporation or association which is available without charge for research by, or for the training of, doctors, nurses, laboratory technicians, hospital administrators and staff or other hospital personnel, and which otherwise is used for medical research, the results of which will be available without cost to the public, shall be exempt from ad valorem taxation. If the real or personal property is leased, the benefit of the exemption shall inure to the nonprofit corporation or association.

To be exempt under this section, the property must be used exclusively for the purposes for which exemption is granted, except as provided in RCW 84.36.805. [1998 c 184 § 1; 1984 c 220 § 3; 1975 1st ex.s. c 291 § 23.]

Additional notes found at www.leg.wa.gov

**84.36.046 Nonprofit cancer clinic or center.** (1) All real or personal property owned or used by a nonprofit organization, corporation, or association in connection with a nonprofit cancer clinic or center shall be exempt from taxation if all of the following conditions are met:

(a) The nonprofit cancer clinic or center must be comprised of or have been formed by an organization, corporation, or association qualified for exemption under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)), by a municipal hospital corporation, or by both;

(b) The nonprofit organization, corporation, or association operating the nonprofit clinic or center and applying for the exemption must be qualified for exemption under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)); and

(c) The property must be used primarily in connection with the prevention, detection, and treatment of cancer, except as provided in RCW 84.36.805.

(2)(a) As used in this section, "nonprofit cancer clinic or center" means a medical facility operated:

(i) By a nonprofit organization, corporation, or association associated with a nonprofit hospital or group of nonprofit hospitals, by a municipal hospital corporation, or by both; and

(ii) For the primary purpose of preventing and detecting cancer and treating cancer patients.

(b) For the purposes of this subsection, "primary purpose" means that at least fifty-one percent of the patients who receive treatment at the clinic or center do so because they have been diagnosed as having cancer. In carrying out its primary purpose, the nonprofit cancer clinic or center provides any combination of radiation therapy, chemotherapy, and ancillary services, directly related to the prevention, detection, and treatment of cancer. These ancillary services include, but are not limited to, patient screening, case management, counseling, and access to a tumor registry.

(3) The exemption also applies to administrative offices located within the nonprofit cancer clinic or center that are used exclusively in conjunction with the cancer treatment services provided by the nonprofit cancer clinic or center.

(4) If the real or personal property for which exemption is sought is leased, the benefit of the exemption must inure to the nonprofit cancer clinic or center. [1997 c 143 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.047 Nonprofit organization property used for transmission or reception of radio or television signals originally broadcast by governmental agencies.** The following property shall be exempt from taxation:

Real and personal property owned by or leased to any nonprofit corporation or association and, except as provided in RCW 84.36.805, used exclusively to rebroadcast, amplify, or otherwise facilitate the transmission and/or reception of radio and/or television signals originally broadcast by foreign or domestic governmental agencies for reception by the general public: PROVIDED, That in the event such property is leased, the benefit of the exemption shall inure to the user. [1984 c 220 § 4; 1977 ex.s. c 348 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.049 Nonprofit homeownership development.** ***(Expires January 1, 2038.)*** (1) All real property owned by a nonprofit entity or by a qualified cooperative association for the purpose of developing or redeveloping on the real property one or more residences to be sold to low-income households including land to be leased as provided in subsection (8)(e)(ii) of this section, is exempt from state and local property taxes.

(2) The exemption provided in this section expires on or at the earlier of:

(a) The date on which the nonprofit entity transfers title to the single-family dwelling unit or the date on which the qualified cooperative association first conveys, directly or indirectly through the transfer of an ownership interest in the association, any single-family dwelling unit on the property or any part of the property. The exemption will not expire as a consequence of the real property being transferred by one nonprofit entity to another nonprofit entity or to a qualified cooperative association so long as the transferee timely applies to the department for a continuation of the exemption;

(b) The date on which the nonprofit entity or qualified cooperative association executes a lease of land described in subsection (8)(e)(ii) of this section;

(c) The end of the seventh consecutive property tax year for which the property is granted an exemption under this section or, if the nonprofit entity or qualified cooperative association has claimed an extension under subsection (3) of this section, the end of the tenth consecutive property tax year for which the property is granted an exemption under this section; or

(d) The property is no longer held for the purpose for which the exemption was granted.

(3) If the nonprofit entity believes that title to the single-family dwelling unit will not be transferred by the end of the sixth consecutive property tax year or if a qualified cooperative association believes that neither a single-family dwelling unit nor any other part of the property will be transferred by the end of the sixth consecutive property tax year, the nonprofit entity or qualified cooperative association may claim a three-year extension of the exemption period by:

(a) Filing a notice of extension with the department on or before March 31st of the sixth consecutive property tax year; and

(b) Providing a filing fee equal to the greater of two hundred dollars or one-tenth of one percent of the real market value of the property as of the most recent assessment date with the notice of extension. The filing fee must be deposited into the state general fund.

(4)(a) If the nonprofit entity has not transferred title to the single-family dwelling unit to a low-income household, or if a qualified cooperative association has not transferred either a single-family dwelling unit or any other property, within the applicable period described in subsection (2)(c) of this section, or if the nonprofit entity or qualified cooperative association has converted the property to a purpose other than the purpose for which the exemption was granted, the property is disqualified from the exemption.

(b) Upon disqualification, the county treasurer must collect an additional tax equal to all taxes that would have been paid on the property but for the existence of the exemption,

plus interest at the same rate and computed in the same way as that upon delinquent property taxes.

(c) The additional tax must be distributed by the county treasurer in the same manner in which current property taxes applicable to the subject property are distributed. The additional taxes and interest are due in full thirty days following the date on which the treasurer's statement of additional tax due is issued.

(d) The additional tax and interest is a lien on the property. The lien for additional tax and interest has priority to and must be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the property may become charged or liable. If a nonprofit entity or qualified cooperative association sells or transfers real property subject to a lien for additional taxes under this subsection, such unpaid additional taxes must be paid by the nonprofit entity or qualified cooperative association at the time of sale or transfer. The county auditor may not accept an instrument of conveyance unless the additional tax has been paid. The nonprofit entity, qualified cooperative association, or the new owner may appeal the assessed values upon which the additional tax is based to the county board of equalization in accordance with the provisions of RCW 84.40.038.

(5)(a) Nonprofit entities receiving an exemption under this section must immediately notify the department when the exempt real property becomes occupied. The notice of occupancy made to the department must include a certification by the nonprofit entity that the occupants are a low-income household and a date when the title to the single-family dwelling unit was or is anticipated to be transferred.

(b) Qualified cooperative associations receiving an exemption under this section must immediately notify the department when any portion of the exempt real property becomes occupied as well as when all of the exempt real property becomes occupied. The notice provided when all the exempt real property becomes occupied must be filed within one year of all exempt real property becoming occupied and demonstrate that the qualified cooperative association does, in fact, meet the requirements for being a qualified cooperative association.

(c) The department of revenue must make the notices of occupancy available to the joint legislative audit and review committee, upon request by the committee, in order for the committee to complete its review of the tax preference in this section.

(6) Upon cessation of the exemption, the value of new construction and improvements to the property, not previously considered as new construction, must be considered as new construction for purposes of calculating levies under chapter 84.55 RCW. The assessed value of the property as it was valued prior to the beginning of the exemption may not be considered as new construction upon cessation of the exemption.

(7) Nonprofit entities and qualified cooperative associations receiving an exemption under this section must provide annual financial statements to the joint legislative audit and review committee, upon request by the committee, for the years that the exemption has been claimed. The nonprofit entity or qualified cooperative associations must identify the line or lines on the financial statements that comprise the percentage of revenues dedicated to the development of affordable housing.

(8) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Financial statements" means an audited annual financial statement and a completed United States treasury internal revenue service return form 990 for organizations exempt from income tax.

(b) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is less than eighty percent of the median family income, adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the property is located.

(c) "Nonprofit entity" means a nonprofit as defined in RCW 84.36.800 that is exempt from federal income taxation under 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended.

(d) "Qualified cooperative association" means a cooperative association formed under chapter 23.86 or 24.06 RCW that owns the real property for which an exemption is sought under this section and following the completion of the development or redevelopment of such real property:

(i) Sixty percent or more of the residences are owned by low-income households; and

(ii) Eighty percent or more of the square footage of any improvements to the real property are exclusively used or available for use by the owners of the residences.

(e) "Residence" means:

(i) A single-family dwelling unit whether such unit be separate or part of a multiunit dwelling; and

(ii) The land on which a dwelling unit described in (e)(i) of this subsection (8) stands, whether to be sold, or to be leased for life or ninety-nine years, to the low-income household owning such dwelling unit.

(9) The department may not accept applications for the initial exemption in this section after December 31, 2027. The exemption in this section may not be approved for and does not apply to taxes due in 2038 and thereafter.

(10) This section expires January 1, 2038. [2019 c 361 § 1; 2018 c 103 § 2; 2016 c 217 § 2.]

**Application—2019 c 361:** "This act applies to taxes levied for collection in 2020 and thereafter." [2019 c 361 § 3.]

**Application—2018 c 103:** "This act applies to taxes levied for collection in 2019 and thereafter." [2018 c 103 § 3.]

**Tax preference performance statement—2019 c 361; 2018 c 103; 2016 c 217:** "(1) This section is the tax preference performance statement for the tax preference contained in chapter 361, Laws of 2019, chapter 103, Laws of 2018, and chapter 217, Laws of 2016. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals, as indicated in RCW 82.32.808(2)(e).

(3) It is the legislature's specific public policy objective to encourage and expand the ability of nonprofit low-income housing developers to provide homeownership opportunities for low-income households. It is the legislature's intent to exempt from taxation real property owned by a nonprofit entity for the purpose of building residences to be sold, or, in the case of land, to be leased for life or ninety-nine years, to low-income households in order to enhance the ability of nonprofit low-income housing developers to purchase and hold land for future affordable housing development.

(4)(a) To measure the effectiveness of the tax preference provided in section 2 of this act in achieving the specific public policy objectives

described in subsection (3) of this section, the joint legislative audit and review committee must evaluate, two years prior to the expiration of the tax preference: (i) The annual growth in the percentage of revenues dedicated to the development of affordable housing, for each nonprofit and qualified cooperative association claiming the preference, for the period that the preference has been claimed; and (ii) the annual changes in both the total number of parcels qualifying for the exemption and the total number of parcels for which owner occupancy notifications have been submitted to the department of revenue, from June 9, 2016, through the most recent year of available data prior to the committee's review.

(b) If the review by the joint legislative audit and review committee finds that for most of the nonprofits and qualified cooperative associations claiming the exemption, program spending, program expenses, or another ratio representing the percentage of the nonprofit entity's and qualified cooperative association's revenues dedicated to the development of affordable housing has increased for the period during which the exemption was claimed, then the legislature intends to extend the expiration date of the tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to:

(a) Initial applications for the preference as approved by the department of revenue under RCW 84.36.815;

(b) Owner occupancy notices reported to the department of revenue under section 2 of this act;

(c) Annual financial statements for a nonprofit entity or qualified cooperative association claiming this tax preference, as defined in section 2 of this act, and provided by nonprofit entities or qualified cooperative associations claiming this preference; and

(d) Any other data necessary for the evaluation under subsection (4) of this section." [2019 c 361 § 2; 2018 c 103 § 1; 2016 c 217 § 1.]

**Application—2016 c 217:** "This act applies to taxes levied in 2016 for collection in 2017 and thereafter." [2016 c 217 § 9.]

**84.36.050 Schools and colleges.** The following property is exempt from taxation:

(1) Property owned or used by or for any nonprofit school or college in this state for educational purposes or cultural or art educational programs as defined in RCW 82.04.4328. Real property so exempt may not exceed four hundred acres including, but not limited to, buildings and grounds designed for the educational, athletic, or social programs of the institution, the housing of students, religious faculty, and the chief administrator, athletic buildings, and all other school or college facilities, the need for which would be nonexistent but for the presence of the school or college. The property must be principally designed to further the educational, athletic, or social functions of the college or school. If the property is leased, the benefit of the exemption must inure to such school or college.

(2) Real or personal property owned by a not-for-profit foundation that is established for the exclusive support of an institution of higher education, as defined in RCW 28B.10.016. If the property is leased to and used by the institution for college or campus purposes, it must be principally designed to further the educational, athletic, or social functions of the institution. The exemption is only available for property actively utilized by currently enrolled students. The benefit of the exemption must inure to the college.

(3) Subject to RCW 84.36.805(2)(a)(i), if the property exempt under subsection (1) or (2) of this section is used by an individual or organization not entitled to a property tax exemption, except as provided in this subsection, the exemption is nullified for the assessment year in which such use occurs. The exemption is not nullified as a result of any of the uses listed in (a) or (b) of this subsection or RCW 84.36.805(8):

(a) The property is used by students, alumni, faculty, staff, or other persons or entities in a manner consistent with the educational, social, or athletic programs, including property used for related administrative and support functions, of the school or college and not for pecuniary gain or to promote business activities. Notwithstanding the foregoing, the school or college may contract with and permit the use of school or college property by persons or entities to provide school or college-related programs or services including, but not limited to, the provision of food services to students, faculty, and staff, the operation of a bookstore on campus, and the provision to the school or college of maintenance, operational, or administrative services without nullifying the exemption; or

(b) The property is used for pecuniary gain or to promote business activities as authorized by RCW 84.36.805, such uses to be measured separately with respect to each specific portion of such property. If exempt property is used as a sports or educational camp or program taught, operated, or conducted by a faculty member who is required or permitted to do so as part of his or her compensation package, the days when the property is so used will not be considered to be days when the property is used for nonexempt purposes. [2014 c 99 § 9; 2006 c 226 § 2; 2001 c 126 § 2; 1984 c 220 § 5; 1973 2nd ex.s. c 40 § 4; 1971 ex.s. c 206 § 2; 1970 ex.s. c 55 § 1; 1961 c 15 § 84.36.050. Prior: 1955 c 196 § 7; prior: 1939 c 206 § 8, part; 1933 ex.s. c 19 § 1, part; 1933 c 115 § 1, part; 1929 c 126 § 1, part; 1925 ex.s. c 130 § 7, part; 1915 c 131 § 1, part; 1903 c 178 § 1, part; 1901 c 176 § 1, part; 1899 c 141 § 2, part; 1897 c 71 §§ 1, 5, part; 1895 c 176 § 2, part; 1893 c 124 §§ 1, 5, part; 1891 c 140 §§ 1, 5, part; 1890 p 532 §§ 1, 5, part; 1886 p 47 § 1, part; Code 1881 § 2829, part; 1871 p 37 § 4, part; 1869 p 176 § 4, part; 1867 p 61 § 2, part; 1854 p 331 § 2, part; RRS § 11111, part. Formerly RCW 84.40.010.]

**Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99:** See notes following RCW 84.36.020.

**Findings—Intent—2006 c 226:** "The legislature finds that independent nonprofit schools, colleges, and universities are vital educational resources to the state of Washington. For the state to be competitive in a global economy, all educational resources must be competitive and provide high-quality programs and services for students.

The legislature recognizes that independent nonprofit schools, colleges, and universities are important economic drivers in their communities, and encourages institutions to support local communities, to provide public benefit, and to respond to community expectations that they share facilities, offer programs, and attract students on par with Washington's publicly owned institutions and out-of-state schools and colleges. Further, the legislature encourages innovative programs and educational opportunities, sustainable practices, and increased use of facilities so that operations of institutions can be more cost-effective.

The legislature wishes to remove barriers that discourage institutions from being more collaborative, that make it more difficult to provide high-quality services and necessities to their students, and that discourage appropriate and beneficial use of institutional facilities by the broader community. To this end, the legislature seeks to provide consistent, predictable, and easily administrable rules for reference by the state department of revenue and schools and colleges." [2006 c 226 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.060 Art, scientific and historical collections and property used to maintain, etc., such collections—Property of associations engaged in production and performance of musical, dance, artistic, etc., works—Fire engines, implements, and buildings of cities, towns, or fire companies—Humane societies.** (1) The following property is exempt from taxation:

(a) All art, scientific, or historical collections of associations maintaining and exhibiting such collections for the benefit of the general public and not for profit, together with all real and personal property of such associations used exclusively for the safekeeping, maintaining and exhibiting of such collections;

(b) All the real and personal property owned by or leased to associations engaged in the production and performance of musical, dance, artistic, dramatic, or literary works for the benefit of the general public and not for profit, which real and personal property is used exclusively for this production or performance;

(c) All fire engines and other implements used for the extinguishment of fire, and the buildings used exclusively for their safekeeping, and for meetings of fire companies, as long as the property belongs to any city or town or to a fire company; and

(d) All property owned by humane societies in this state in actual use by the societies.

(2) To receive an exemption under subsection (1)(a) or (b) of this section:

(a) An organization must be organized and operated exclusively for artistic, scientific, historical, literary, musical, dance, dramatic, or educational purposes and receive a substantial part of its support (exclusive of income received in the exercise or performance by such organization of its purpose or function) from the United States or any state or any political subdivision thereof or from direct or indirect contributions from the general public.

(b) If the property is not currently being used for an exempt purpose but will be used for an exempt purpose within a reasonable period of time, the nonprofit organization, association, or corporation claiming the exemption must submit proof that a reasonably specific and active program is being carried out to construct, remodel, or otherwise enable the property to be used for an exempt purpose. The property does not qualify for an exemption during this interim period if the property is used by, loaned to, or rented to a for-profit organization or business enterprise. Proof of a specific and active program to build or remodel the property so it may be used for an exempt purpose may include, but is not limited to:

(i) Affirmative action by the board of directors, trustees, or governing body of the nonprofit organization, association, or corporation toward an active program of construction or remodeling;

(ii) Itemized reasons for the proposed construction or remodeling;

(iii) Clearly established plans for financing the construction or remodeling; or

(iv) Building permits.

(3) The use of property exempt under subsection (1)(a) or (b) of this section by entities not eligible for a property tax exemption under this chapter, except as provided in RCW 84.36.805, nullifies the exemption otherwise available for the property for the assessment year. [2014 c 99 § 10; 2009 c 58 § 1; 2003 c 121 § 1; 1995 c 306 § 1; 1981 c 141 § 1; 1973 2nd ex.s. c 40 § 5; 1961 c 15 § 84.36.060. Prior: 1955 c 196 § 8; prior: 1939 c 206 § 8, part; 1933 ex.s. c 19 § 1, part; 1933 c 115 § 1, part; 1929 c 126 § 1, part; 1925 ex.s. c 130 § 7, part; 1915 c 131 § 1, part; 1903 c 178 § 1, part; 1901 c 176 § 1, part; 1899 c 141 § 2, part; 1897 c 71 §§ 1, 5, part; 1895 c 176 § 2, part; 1893 c 124 §§ 1, 5, part; 1891 c 140 §§ 1, 5, part; 1890 p 532 §§ 1, 5, part; 1886 p 47 § 1, part; Code 1881 § 2829, part; 1871 p 37 § 4, part; 1869 p 176 § 4, part; 1867 p 61 § 2, part; 1854 p 331 § 2, part; RRS § 11111, part. Formerly RCW 84.40.010.]

**Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99:** See notes following RCW 84.36.020.

Additional notes found at www.leg.wa.gov

**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 § 1; 1974 ex.s. c 118 § 1; 1961 c 15 § 84.36.070. Prior: 1931 c 96 § 1; RRS § 11111-1. FORMER PART OF SECTION: 1925 ex.s. c 130 § 5, part, now codified in RCW 84.04.080.]

**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 § 4.]

Additional notes found at www.leg.wa.gov

**84.36.079 Rights, title, interest, and materials of certain vessels under construction.** All rights, title or interest in or to any vessel of more than one thousand ton burden, and the materials and parts held by the builder of the vessel at the site of construction for the specific purpose of incorporation therein, shall be exempt from taxation while the vessel is under construction within this state. [1961 c 15 § 84.36.079. Prior: 1959 c 295 § 1.]

**84.36.080 Certain ships and vessels.** (1) All ships and vessels which are exempt from excise tax under RCW 82.49.020(2) and excepted from the registration requirements of RCW 88.02.570(10) shall be and are hereby made exempt from all ad valorem taxes, except taxes levied for any state purpose.

(2) All ships and vessels listed in the state or federal register of historical places are exempt from all ad valorem taxes. [2011 c 171 § 126; 2000 c 103 § 24; 1998 c 335 § 5; 1986 c 229 § 1; 1983 2nd ex.s. c 3 § 51; 1983 c 7 § 23; 1961 c 15 § 84.36.080. Prior: 1945 c 82 § 1; 1931 c 81 § 1; Rem. Supp. 1945 § 11111-2.]

**Intent—Effective date—2011 c 171:** See notes following RCW 4.24.210.

*Listing of taxable ships and vessels with department of revenue: RCW 84.40.065.*

*Valuation of vessels—Apportionment: RCW 84.40.036.*

Additional notes found at www.leg.wa.gov

**84.36.090 Exemption for other ships and vessels.** All ships and vessels, other than those partially exempt under RCW 84.36.080 and those described in RCW 84.36.079, are exempt from all ad valorem taxes. [1983 c 7 § 24; 1961 c 15 § 84.36.090. Prior: 1959 c 295 § 2; 1945 c 82 § 2; 1931 c 81 § 2; Rem. Supp. 1945 § 11111-3.]

Additional notes found at www.leg.wa.gov

**84.36.100 Size of vessel immaterial.** RCW 84.36.080 and 84.36.090 shall apply to all ships, vessels and boats, irrespective of size, and to the taxes thereon becoming due and payable. [1961 c 15 § 84.36.100. Prior: 1945 c 82 § 3; 1931 c 81 § 3; Rem. Supp. 1945 § 11111-4.]

**84.36.105 Cargo containers used in ocean commerce.** All cargo containers principally used for the transportation of cargo by vessels in ocean commerce shall be exempt from taxation. The term "cargo container" means a receptacle:

(1) Of a permanent character and accordingly strong enough to be suitable for repeated use;

(2) Specially designed to facilitate the carriage of goods, by one or more modes of transport, one of which shall be by vessels, without intermediate reloading;

(3) Fitted with devices permitting its ready handling, particularly its transfer from one mode of transport to another; and

(4) Designed to be easy to fill and empty. [1975 1st ex.s. c 20 § 1.]

**84.36.110 Household goods and personal effects—Fifteen thousand dollars actual value to head of family.** The following property shall be exempt from taxation:

(1) All household goods and furnishings in actual use by the owner thereof in equipping and outfitting his or her residence or place of abode and not for sale or commercial use, and all personal effects held by any person for his or her exclusive use and benefit and not for sale or commercial use.

(2) The personal property, other than specified in subsection (1) of this section, of each head of a family liable to assessment and taxation of which the individual is the actual and bona fide owner to an amount of fifteen thousand dollars of true and fair value. This exemption shall not apply to any private motor vehicle or mobile home. If the county assessor is satisfied that all of the personal property of any person is exempt from taxation under the provisions of this statute or any other statute providing exemptions for personal property, no listing of such property shall be required. However, if the personal property described in this subsection exceeds in value the amount allowed as exempt, then a complete list of said personal property shall be made as provided by law, and the county assessor shall deduct the amount of the exemption authorized by this subsection from the total amount of the assessment and impose taxes on the remainder. [2006 c 281 § 2; 1988 c 10 § 1; 1971 ex.s. c 299 § 71; 1961 c 15 § 84.36.110. Prior: 1935 c 27 § 1; RRS § 11111-7.]

**Finding—Intent—2006 c 281:** "The legislature finds that it is in the public interest of the people of the state of Washington to ease the burden of property taxes paid by the head of a family. To achieve this purpose, this act increases the amount of personal property exemption for the head of a family from three thousand dollars to fifteen thousand dollars. The last time this exemption was increased was 1988. It is the clear and unambiguous intent of the legislature that the property described within this measure shall be exempt for [from] taxation, as authorized by Article VII, section 1 of the state Constitution." [2006 c 281 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.120 Household goods and personal effects—Definitions.** For the purposes of RCW 84.36.110 "head of a family" shall be construed to include a surviving spouse or surviving domestic partner who has neither remarried nor entered into a subsequent domestic partnership, any person receiving an old age pension under the laws of this state and any citizen of the United States, over the age of sixty-five years, who has resided in the state of Washington continuously for ten years.

"Personal effects" shall be construed to mean and include such tangible property as usually and ordinarily attends the person such as wearing apparel, jewelry, toilet articles and the like.

"Private motor vehicle" shall be construed to mean and include all motor vehicles used for the convenience or pleasure of the owner and carrying a licensing classification other than motor vehicle for hire, auto stage, auto stage trailer, motor truck, motor truck trailer or dealers' licenses.

"Mobile home" shall be construed to mean and include all trailers of the type designed as facilities for human habitation and which are capable of being moved upon the public streets and highways and which are more than thirty-five feet in length or more than eight feet in width. [2008 c 6 § 708; 1973 1st ex.s. c 154 § 120; 1971 ex.s. c 299 § 72; 1961 c 15 § 84.36.120. Prior: 1935 c 27 § 2; RRS § 11111-8.]

Additional notes found at www.leg.wa.gov

**84.36.130 Airport property in this state for smaller airports belonging to municipalities of adjoining states.** All property, whether real or personal, belonging exclusively to any municipal corporation in an adjoining state legally empowered by the laws of such adjoining state to acquire and hold property within this state, and which property is used primarily for airport purposes and other facilities for landing, terminals, housing, repair and care of dirigibles, airplanes and seaplanes for the aerial transportation of persons, property or mail, or in the armed forces of the United States, and upon which property there is expended funds by the federal, county

or state agencies, or upon which funds are allocated by the federal government agencies on national defense projects, is hereby exempted from ad valorem taxation. The exemption in this section applies only to airports five hundred acres or less in size. [1998 c 201 § 1; 1961 c 15 § 84.36.130. Prior: 1941 c 13 § 1; Rem. Supp. 1941 § 11111-10.]

**84.36.133 Aircraft owned and operated by a commuter air carrier.** (1) An aircraft owned and operated by a commuter air carrier in respect to which the tax imposed under RCW 82.48.030 has been paid for a calendar year is exempt from property taxation for that calendar year.

(2) For the purposes of this section, "aircraft" and "commuter air carrier" have the same meanings as provided in RCW 82.48.010. [2013 c 56 § 4.]

**Effective date—2013 c 56:** "This act takes effect January 1, 2014." [2013 c 56 § 5.]

**84.36.135 Real and personal property of housing finance commission.** The real and personal property of the state housing finance commission established by chapter 43.180 RCW are exempt from taxation. [1983 c 161 § 26.]

Additional notes found at www.leg.wa.gov

**84.36.210 Public right-of-way easements.** Whenever the state, or any city, town, county or other municipal corporation has obtained a written easement for a right-of-way over and across any private property and the written instrument has been placed of record in the county auditor's office of the county in which the property is located, the easement rights shall be exempt from taxation and exempt from general tax foreclosure and sale for delinquent property taxes of the property over and across which the easement exists; and all property tax records of the county and tax statements relating to the servient property shall show the existence of such easement and that it is exempt from the tax; and any notice of sale and tax deed relating to the servient property shall show that such easement exists and is excepted from the sale of the servient property. [1961 c 15 § 84.36.210. Prior: 1947 c 150 § 1; Rem. Supp. 1947 § 11188-1.]

**84.36.230 Interstate bridges—Reciprocity.** Any bridge, including its approaches, over rivers or bodies of water forming interstate boundaries, which bridge has been constructed or acquired and is being operated by any foreign state bordering upon such common interstate boundary, or which has been constructed or acquired and is being operated by any county, city or other municipality of such foreign state, shall be exempt from all property and other taxes in the state of Washington, if the foreign state exempts from all taxation any bridge or bridges constructed or acquired and being operated by the state of Washington or any county, city or other municipality thereof. [1961 c 15 § 84.36.230. Prior: 1949 c 224 § 1; Rem. Supp. 1949 § 11111-12.]

**84.36.240 Soil and water conservation districts, personal property.** All personal property belonging solely to soil and water conservation districts shall be exempt from taxation: PROVIDED, That the exemption contained herein shall not apply to property of any such district which engages in contract work for persons or firms not landowners or cooperators of a district. [1963 c 179 § 1.]

**84.36.250 Water distribution property owned by nonprofit corporation or cooperative association.** The following property shall be exempt from taxation:

All property, whether real or personal belonging to any nonprofit corporation or cooperative association and used exclusively for the distribution of water to its shareholders or members. [1965 ex.s. c 173 § 31.]

Additional notes found at www.leg.wa.gov

**84.36.255 Improvements to benefit fish and wildlife habitat, water quality, and water quantity—Cooperative assistance to landowners—Certification of best management practice—Limitation—Landowner claim and certification.** (1) All improvements to real and personal property that benefit fish and wildlife habitat, water quality, or water quantity are exempt from taxation if the improvements are included under a written conservation plan approved by a conservation district. The conservation districts must cooperate with the federal natural resource conservation service, other conservation districts, the department of ecology, the department of fish and wildlife, and nonprofit organizations to assist landowners by working with them to obtain approved conservation plans so as to qualify for the exemption provided for in this section. As provided in subsection (3) of this section and RCW 89.08.440(2), a conservation district must initially certify that the best management practice benefits fish and wildlife habitat, water quality, or water quantity. A habitat conservation plan under the terms of the federal endangered species act is not considered a conservation plan for purposes of this exemption.

(2) The exemption remains in effect only if improvements identified in the written best management practices agreement are maintained as originally approved or amended. Improvements made as a requirement to mitigate for impacts to fish and wildlife habitat, water quality, or water quantity are not eligible for exemption under this section.

(3) A claim for exemption under this section must be filed annually with the county assessor on or before October 31st during the year for exemption from taxes levied for collection in the following year when submitted on forms prescribed by the department of revenue developed in consultation with the conservation district. The landowner must certify each subsequent year that the improvements for which exemption is sought are maintained as originally approved or amended in the written conservation plan. In the first filing year, the claim must contain the initial certification by the conservation district that the improvements for which exemption is sought were included under a written conservation plan approved by the conservation district including best management practices that benefit fish and wildlife habitat, water quality, or water quantity. Each subsequent filing year, the claim must contain a copy of the conservation district's initial certification made in the first filing year, along with the landowner's own certification for the current filing year. [2013 c 236 § 1; 1997 c 295 § 2.]

**Purpose—1997 c 295:** "The purpose of this act is to improve fish and wildlife habitat, water quality, and water quantity for the benefit of the public

at large. Private property owners should be encouraged to make voluntary improvements to their property as recommended by governmental agencies without the penalty of paying higher property taxes as a result of those improvements." [1997 c 295 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.260 Property, interests, etc., used for conservation of ecological systems, natural resources, or open space—Conservation or scientific research organizations.** (1) All real property interests, including fee simple or any lesser interest, development rights, easements, covenants and conservation futures, as that latter term is defined in RCW 84.34.220 as now or hereafter amended, used exclusively for the conservation of ecological systems, natural resources, or open space, including parklands, held by any nonprofit corporation or association the primary purpose of which is the conducting or facilitating of scientific research or the conserving of natural resources or open space for the general public, shall be exempt from ad valorem taxation if either of the following conditions are met:

(a) To the extent feasible considering the nature of the property interest involved, such property interests shall be used and effectively dedicated primarily for the purpose of providing scientific research or educational opportunities for the general public or the preservation of native plants or animals, or biotic communities, or works of ancient human beings or geological or geographical formations, of distinct scientific and educational interest, and not for the pecuniary benefit of any person or company, as defined in RCW 82.04.030, and shall be open to the general public for educational and scientific research purposes subject to reasonable restrictions designed for its protection; or

(b) Such property interests are subject to an option, accepted in writing by the state, a city or a county, or department of the United States government, for the purchase thereof by the state, a city or a county, or the United States, at a price not exceeding the lesser of the following amounts: (i) The sum of the original purchase cost to such nonprofit corporation or association plus interest from the date of acquisition by such corporation or association at the rate of six percent per annum compounded annually to the date of the exercise of the option; or (ii) the appraised value of the property at the time of the granting of the option, as determined by the department of revenue or when the option is held by the United States, or by an appropriate agency thereof.

(2) To be exempt under this section, the property must be used exclusively for the purposes for which exemption is granted, except as provided by RCW 84.36.805. [2014 c 99 § 11; 2009 c 549 § 1034; 1979 ex.s. c 193 § 1; 1975-'76 2nd ex.s. c 22 § 3; 1973 c 112 § 1; 1967 ex.s. c 149 § 43.]

**Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99:** See notes following RCW 84.36.020.

Additional notes found at www.leg.wa.gov

**84.36.262 Cessation of use giving rise to exemption.** Upon cessation of the use which has given rise to an exemption hereunder, the county treasurer shall collect all taxes which would have been paid had the property not been exempt during the ten years preceding, or the life of such exemption if such be less, together with interest at the same rate and computed in the same way as that upon delinquent property taxes. [1973 c 112 § 2.]

*Additional tax payable at time of sale—Appeal of assessed values: RCW 84.36.812.*

**84.36.264 Application for exemption under RCW 84.36.260, conservation of ecological systems.** Owners of property desiring tax exempt status pursuant to the provisions of RCW 84.36.260 must make an application for the exemption with the department. If such property qualifies pursuant to RCW 84.36.260(1)(b), a copy of the option must also be submitted to the department. Such option must clearly state the purchase price pursuant to the option or the appraisal value as determined by the department of revenue. [2014 c 99 § 12; 1994 c 124 § 17; 1973 c 112 § 3.]

**Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99:** See notes following RCW 84.36.020.

**84.36.300 Stocks of merchandise, goods, wares, or material—Aircraft parts, etc.—When eligible for exemption.** There shall be exempt from taxation a portion of each separately assessed stock of merchandise, as that word is defined in this section, owned or held by any taxpayer on the first day of January of any year computed by first multiplying the total amount of that stock of such merchandise, as determined in accordance with RCW 84.40.020, by a percentage determined by dividing the amount of such merchandise brought into this state by the taxpayer during the preceding year for that stock by the total additions to that stock by the taxpayer during that year, and then multiplying the result of the latter computation by a percentage determined by dividing the total out-of-state shipments of such merchandise by the taxpayer during the preceding year from that stock (and regardless of whether or not any such shipments involved a sale of, or a transfer of title to, the merchandise within this state) by the total shipments of such merchandise by the taxpayer during the preceding year from that stock. As used in this section, the word "merchandise" means goods, wares, merchandise, or material which were not manufactured in this state by the taxpayer and which were acquired by him or her (in any other manner whatsoever, including manufacture by him or her outside of this state) for the purpose of sale or shipment in substantially the same form in which they were acquired by him or her within this state or were brought into this state by him or her. Breaking of packages or of bulk shipments, packaging, repackaging, labeling, or relabeling shall not be considered as a change in form within the meaning of this section. A taxpayer who has made no shipments of merchandise, either out-of-state or in-state, during the preceding year, may compute the percentage to be applied to the stock of merchandise on the basis of his or her experience from March 1st of the preceding year to the last day of February of the current year, in lieu of computing the percentage on the basis of his or her experience during the preceding year. The rule of strict construction shall not apply to this section.

All rights, title, or interest in or to any aircraft parts, equipment, furnishings, or accessories (but not engines or major structural components) which are manufactured outside of the state of Washington and are owned by purchasers of the aircraft constructed, under construction or to be constructed in the state of Washington, and are shipped into the state of Washington for installation in or use in connection with the operation of such aircraft shall be exempt from taxa-

tion prior to and during construction of such aircraft and while held in this state for periods preliminary to and during the transportation of such aircraft from the state of Washington. [2013 c 23 § 348; 1973 c 149 § 2; 1969 ex.s. c 124 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.301 Legislative finding and declaration for RCW 84.36.300.** The legislature hereby finds and declares that to promote the policy of a free and uninhibited flow of commerce as established by federal constitutional and legislative dictate, it is desirable to exempt from property taxation, according to the provisions of RCW 84.36.300, certain parts and equipment coming into the state of Washington to be placed in vehicles which are then transferred to the possession of out-of-state owners. The legislature further recognizes that the temporary existence of these parts and equipment within the state justifies a tax exempt status which serves to encourage the manufacture and assemblage of vehicles within the state thereby promoting increased economic activity and jobs for our residents. [1973 c 149 § 1.]

**84.36.310 Requirements for exemption under RCW 84.36.300.** Any person claiming the exemption provided for in RCW 84.36.300 shall file such claim with his or her listing of personal property as provided by RCW 84.40.040. The claim shall be in the form prescribed by the department of revenue, and shall require such information as the department deems necessary to substantiate the claim. [2003 c 302 § 6; 1969 ex.s. c 124 § 2.]

Additional notes found at www.leg.wa.gov

**84.36.320 Inspection of books and records for exemption under RCW 84.36.300.** An owner or agent filing a claim under RCW 84.36.310 shall consent to the inspection of the books and records upon which the claim has been based, such inspection to be similar in manner to that provided by RCW 84.40.340, or if the owner or agent does not maintain records within this state, the consent shall apply to the records of a warehouse, person, or agent having custody of the inventory to which the claim applies. Consent to the inspection of the records shall be executed as a part of the claim. The owner, his or her agent, or other person having custody of the inventory referred to herein shall retain within this state, for a period of at least two years from the date of the claim, the records referred to above. If adequate records are not made available to the assessor within the county where the claim is made, then the exemption shall be denied. [2013 c 23 § 349; 1969 ex.s. c 124 § 3.]

Additional notes found at www.leg.wa.gov

**84.36.350 Property owned and used for sheltered workshops for persons with disabilities.** (1) The following property shall be exempt from taxation:

(a) Real or personal property owned and used by a nonprofit corporation in connection with the operation of a sheltered workshop for persons with disabilities, and used primarily in connection with the manufacturing and the handling, sale or distribution of goods constructed, processed, or repaired in such workshops or centers; and

(b) Inventory owned by a sheltered workshop for sale or lease by the sheltered workshop or to be furnished under a contract of service, including raw materials, work in process, and finished products.

(2) Unless a different meaning is plainly required by the context, "sheltered workshop" means a rehabilitation facility, or that part of a rehabilitation facility operated by a nonprofit corporation, where any manufacture or handiwork is carried on and operated for the primary purpose of: (a) Providing gainful employment or rehabilitation services to persons with disabilities as an interim step in the rehabilitation process for those who cannot be readily absorbed in the competitive labor market or during such time as employment opportunities for them in the competitive labor market do not exist; or (b) providing evaluation and work adjustment services for persons with disabilities. [2020 c 274 § 70; 1999 c 358 § 17; 1975 1st ex.s. c 3 § 1; 1970 ex.s. c 81 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.379 Residences—Property tax exemption—Findings.** The legislature finds that the property tax exemption authorized by Article VII, section 10 of the state Constitution should be made available on the basis of a retired person's ability to pay property taxes and that the best measure of a retired person's ability to pay taxes is that person's disposable income as defined in RCW 84.36.383. The legislature further finds that veterans with one hundred percent service-connected disabilities have given so much to our country that they deserve property tax relief. [2005 c 248 § 1; 2000 c 103 § 25; 1980 c 185 § 3.]

Additional notes found at www.leg.wa.gov

**84.36.381 Residences—Property tax exemptions—Qualifications.** A person is exempt from any legal obligation to pay all or a portion of the amount of excess and regular real property taxes due and payable in the year following the year in which a claim is filed, and thereafter, in accordance with the following:

(1)(a) The property taxes must have been imposed upon a residence which was occupied by the person claiming the exemption as a principal place of residence as of the time of filing. However, any person who sells, transfers, or is displaced from his or her residence may transfer his or her exemption status to a replacement residence, but no claimant may receive an exemption on more than one residence in any year. Moreover, confinement of the person to a hospital, nursing home, assisted living facility, adult family home, or home of a relative for the purpose of long-term care does not disqualify the claim of exemption if:

(i) The residence is temporarily unoccupied;

(ii) The residence is occupied by a spouse or a domestic partner and/or a person financially dependent on the claimant for support; or

(iii) The residence is rented for the purpose of paying nursing home, hospital, assisted living facility, or adult family home costs.

(b) For the purpose of this subsection (1), "relative" means any individual related to the claimant by blood, marriage, or adoption;

(2) The person claiming the exemption must have owned, at the time of filing, in fee, as a life estate, or by contract purchase, the residence on which the property taxes have been imposed or if the person claiming the exemption

lives in a cooperative housing association, corporation, or partnership, such person must own a share therein representing the unit or portion of the structure in which he or she resides. For purposes of this subsection, a residence owned by a marital community or state registered domestic partnership or owned by cotenants is deemed to be owned by each spouse or each domestic partner or each cotenant, and any lease for life is deemed a life estate;

(3)(a) The person claiming the exemption must be:

(i) Sixty-one years of age or older on December 31st of the year in which the exemption claim is filed, or must have been, at the time of filing, retired from regular gainful employment by reason of disability; or

(ii) A veteran of the armed forces of the United States entitled to and receiving compensation from the United States department of veterans affairs at:

(A) A combined service-connected evaluation rating of eighty percent or higher; or

(B) A total disability rating for a service-connected disability without regard to evaluation percent.

(b) However, any surviving spouse or surviving domestic partner of a person who was receiving an exemption at the time of the person's death will qualify if the surviving spouse or surviving domestic partner is fifty-seven years of age or older and otherwise meets the requirements of this section;

(4) The amount that the person is exempt from an obligation to pay is calculated on the basis of combined disposable income, as defined in RCW 84.36.383. If the person claiming the exemption was retired for two months or more of the assessment year, the combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person during the months such person was retired by twelve. If the income of the person claiming exemption is reduced for two or more months of the assessment year by reason of the death of the person's spouse or the person's domestic partner, or when other substantial changes occur in disposable income that are likely to continue for an indefinite period of time, the combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person after such occurrences by twelve. If it is necessary to estimate income to comply with this subsection, the assessor may require confirming documentation of such income prior to May 31 of the year following application;

(5)(a) A person who otherwise qualifies under this section and has a combined disposable income equal [to] or less than income threshold 3 is exempt from all excess property taxes, the additional state property tax imposed under RCW 84.52.065(2), and the portion of the regular property taxes authorized pursuant to RCW 84.55.050 and approved by the voters, if the legislative authority of the county or city imposing the additional regular property taxes identified this exemption in the ordinance placing the RCW 84.55.050 measure on the ballot; and

(b)(i) A person who otherwise qualifies under this section and has a combined disposable income equal to or less than income threshold 2 but greater than income threshold 1 is exempt from all regular property taxes on the greater of fifty thousand dollars or thirty-five percent of the valuation of his or her residence, but not to exceed seventy thousand dollars of the valuation of his or her residence; or

(ii) A person who otherwise qualifies under this section and has a combined disposable income equal to or less than income threshold 1 is exempt from all regular property taxes on the greater of sixty thousand dollars or sixty percent of the valuation of his or her residence;

(6)(a) For a person who otherwise qualifies under this section and has a combined disposable income equal [to] or less than income threshold 3, the valuation of the residence is the assessed value of the residence on the later of January 1, 1995, or January 1st of the assessment year the person first qualifies under this section. If the person subsequently fails to qualify under this section only for one year because of high income, this same valuation must be used upon requalification. If the person fails to qualify for more than one year in succession because of high income or fails to qualify for any other reason, the valuation upon requalification is the assessed value on January 1st of the assessment year in which the person requalifies. If the person transfers the exemption under this section to a different residence, the valuation of the different residence is the assessed value of the different residence on January 1st of the assessment year in which the person transfers the exemption.

(b) In no event may the valuation under this subsection be greater than the true and fair value of the residence on January 1st of the assessment year.

(c) This subsection does not apply to subsequent improvements to the property in the year in which the improvements are made. Subsequent improvements to the property must be added to the value otherwise determined under this subsection at their true and fair value in the year in which they are made. [2019 c 453 § 1; 2018 c 46 § 2; 2017 3rd sp.s. c 13 § 311; 2015 3rd sp.s. c 30 § 2; 2012 c 10 § 73; 2011 c 174 § 105; 2010 c 106 § 306; 2008 c 6 § 706; 2005 c 248 § 2; 2004 c 270 § 1; 1998 c 333 § 1; 1996 c 146 § 1; 1995 1st sp.s. c 8 § 1; 1994 sp.s. c 8 § 1; 1993 c 178 § 1; 1992 c 187 § 1. Prior: 1991 c 213 § 3; 1991 c 203 § 1; 1987 c 301 § 1; 1983 1st ex.s. c 11 § 5; 1983 1st ex.s. c 11 § 2; 1980 c 185 § 4; 1979 ex.s. c 214 § 1; 1977 ex.s. c 268 § 1; 1975 1st ex.s. c 291 § 14; 1974 ex.s. c 182 § 1.]

**Application—2019 c 453:** "This act applies for taxes levied for collection in 2020 and thereafter." [2019 c 453 § 9.]

**Automatic expiration date and tax preference performance statement exemption—2019 c 453:** "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act." [2019 c 453 § 10.]

**Intent—2018 c 46:** "It is the intent of the legislature that the property tax exemption for the owner-occupied residences of low-income seniors, disabled veterans, and other people who are disabled applies to any additional local regular property taxes imposed by a city or county that has also approved such an action by identifying the tax exemption in the ballot measure placed before the voters." [2018 c 46 § 1.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Tax preference performance statement—2017 c 323; 2015 3rd sp.s. c 30:** "This section is the tax preference performance statement for the tax preference contained in section 2, chapter 30, Laws of 2015 3rd sp. sess. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(1) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals, as indicated in RCW 82.32.808(2)(e).

(2) It is the legislature's specific public policy objective to provide tax relief to senior citizens, disabled persons, and veterans. The legislature recognizes that property taxes impose a substantial financial burden on those with fixed incomes and that property tax relief programs have considerable value in addressing this burden. It is the legislature's intent to increase the current statutory static income thresholds which were last modified in 2004.

(3) This tax preference is meant to be permanent and, therefore, not subject to the ten-year expiration provision in RCW 82.32.805(1)(a)." [2017 c 323 § 304; 2015 3rd sp.s. c 30 § 1.]

**Application—2015 3rd sp.s. c 30:** "This act applies to taxes levied for collection in 2016 and thereafter." [2015 3rd sp.s. c 30 § 4.]

**Application—2012 c 10:** See note following RCW 18.20.010.

**Intent—1983 1st ex.s. c 11:** "The legislature finds that inflation has significant detrimental effects on the senior citizen property tax relief program. Inflation increases incomes without increasing real buying power. Inflation also raises the values of homes, and thus the taxes on those homes. This act addresses the problem of inflation in two ways. First, the assessed value exemption is tied to home value so it will increase as values rise. Secondly, though the income of most senior citizens does not keep pace with inflation, it is the legislature's intent that inflationary increases in incomes will not result in program disqualification. Therefore, the income levels are adjusted to reflect the forecasted increase in inflation. The legislature also recommends that similar adjustments be examined by future legislatures." [1983 1st ex.s. c 11 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.383 Residences—Definitions.** As used in RCW 84.36.381 through 84.36.389, unless the context clearly requires otherwise:

(1) "Combined disposable income" means the disposable income of the person claiming the exemption, plus the disposable income of his or her spouse or domestic partner, and the disposable income of each cotenant occupying the residence for the assessment year, less amounts paid by the person claiming the exemption or his or her spouse or domestic partner during the assessment year for:

(a) Drugs supplied by prescription of a medical practitioner authorized by the laws of this state or another jurisdiction to issue prescriptions;

(b) The treatment or care of either person received in the home or in a nursing home, assisted living facility, or adult family home;

(c) Health care insurance premiums for medicare under Title XVIII of the social security act;

(d) Costs related to medicare supplemental policies as defined in Title 42 U.S.C. Sec. 1395ss;

(e) Durable medical equipment, mobility enhancing equipment, medically prescribed oxygen, and prosthetic devices as defined in RCW 82.08.0283;

(f) Long-term care insurance as defined in RCW 48.84.020;

(g) Cost-sharing amounts as defined in RCW 48.43.005;

(h) Nebulizers as defined in RCW 82.08.803;

(i) Medicines of mineral, animal, and botanical origin prescribed, administered, dispensed, or used in the treatment of an individual by a person licensed under chapter 18.36A RCW;

(j) Ostomic items as defined in RCW 82.08.804;

(k) Insulin for human use;

(l) Kidney dialysis devices; and

(m) Disposable devices used to deliver drugs for human use as defined in RCW 82.08.935.

(2) "Cotenant" means a person who resides with the person claiming the exemption and who has an ownership interest in the residence.

(3) "County median household income" means the median household income estimates for the state of Washington by county of the legal address of the principal place of residence, as published by the office of financial management.

(4) "Department" means the state department of revenue.

(5) "Disability" has the same meaning as provided in 42 U.S.C. Sec. 423(d)(1)(A) as amended prior to January 1, 2005, or such subsequent date as the department may provide by rule consistent with the purpose of this section.

(6) "Disposable income" means adjusted gross income as defined in the federal internal revenue code, as amended prior to January 1, 1989, or such subsequent date as the director may provide by rule consistent with the purpose of this section, plus all of the following items to the extent they are not included in or have been deducted from adjusted gross income:

(a) Capital gains, other than gain excluded from income under section 121 of the federal internal revenue code to the extent it is reinvested in a new principal residence;

(b) Amounts deducted for loss;

(c) Amounts deducted for depreciation;

(d) Pension and annuity receipts;

(e) Military pay and benefits other than attendant-care and medical-aid payments;

(f) Veterans benefits, other than:

(i) Attendant-care payments;

(ii) Medical-aid payments;

(iii) Disability compensation, as defined in Title 38, part 3, section 3.4 of the Code of Federal Regulations, as of January 1, 2008; and

(iv) Dependency and indemnity compensation, as defined in Title 38, part 3, section 3.5 of the Code of Federal Regulations, as of January 1, 2008;

(g) Federal social security act and railroad retirement benefits;

(h) Dividend receipts; and

(i) Interest received on state and municipal bonds.

(7) "Income threshold 1" means:

(a) For taxes levied for collection in calendar years prior to 2020, a combined disposable income equal to thirty thousand dollars; and

(b) For taxes levied for collection in calendar year 2020 and thereafter, a combined disposable income equal to the greater of "income threshold 1" for the previous year or forty-five percent of the county median household income, adjusted every five years beginning August 1, 2019, as provided in RCW 84.36.385(8).

(8) "Income threshold 2" means:

(a) For taxes levied for collection in calendar years prior to 2020, a combined disposable income equal to thirty-five thousand dollars; and

(b) For taxes levied for collection in calendar year 2020 and thereafter, a combined disposable income equal to the greater of "income threshold 2" for the previous year or fifty-five percent of the county median household income, adjusted every five years beginning August 1, 2019, as provided in RCW 84.36.385(8).

(9) "Income threshold 3" means:

(a) For taxes levied for collection in calendar years prior to 2020, a combined disposable income equal to forty thousand dollars; and

(b) For taxes levied for collection in calendar year 2020 and thereafter, a combined disposable income equal to the greater of "income threshold 3" for the previous year or sixty-five percent of the county median household income, adjusted every five years beginning August 1, 2019, as provided in RCW 84.36.385(8).

(10) "Principal place of residence" means a residence occupied for more than six months each calendar year by a person claiming an exemption under RCW 84.36.381.

(11) The term "real property" also includes a mobile home which has substantially lost its identity as a mobile unit by virtue of its being fixed in location upon land owned or leased by the owner of the mobile home and placed on a foundation (posts or blocks) with fixed pipe, connections with sewer, water, or other utilities. A mobile home located on land leased by the owner of the mobile home is subject, for tax billing, payment, and collection purposes, only to the personal property provisions of chapter 84.56 RCW and RCW 84.60.040.

(12) The term "residence" means a single-family dwelling unit whether such unit be separate or part of a multiunit dwelling, including the land on which such dwelling stands not to exceed one acre, except that a residence includes any additional property up to a total of five acres that comprises the residential parcel if this larger parcel size is required under land use regulations. The term also includes a share ownership in a cooperative housing association, corporation, or partnership if the person claiming exemption can establish that his or her share represents the specific unit or portion of such structure in which he or she resides. The term also includes a single-family dwelling situated upon lands the fee of which is vested in the United States or any instrumentality thereof including an Indian tribe or in the state of Washington, and notwithstanding the provisions of RCW 84.04.080 and 84.04.090, such a residence is deemed real property. [2021 c 220 § 1. Prior: 2020 c 209 § 3; 2019 c 453 § 2; 2012 c 10 § 74; 2010 c 106 § 307; prior: 2008 c 182 § 1; 2008 c 6 § 709; 2006 c 62 § 1; 2004 c 270 § 2; 1999 c 358 § 18; 1995 1st sp.s. c 8 § 2; 1994 sp.s. c 8 § 2; 1991 c 213 § 4; 1991 c 219 § 1; 1989 c 379 § 6; 1987 c 155 § 2; 1985 c 395 § 3; 1983 1st ex.s. c 11 § 4; 1980 c 185 § 5; 1979 ex.s. c 214 § 2; 1975 1st ex.s. c 291 § 15; 1974 ex.s. c 182 § 2.]

**Automatic expiration date and tax preference performance statement exemption—2021 c 220:** "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act. The legislature intends for this tax preference and its expansion to be permanent." [2021 c 220 § 2.]

**Automatic expiration date and tax preference performance statement exemption—2020 c 209:** See note following RCW 84.36.387.

**Application—Automatic expiration date and tax preference performance statement exemption—2019 c 453:** See notes following RCW 84.36.381.

**Application—2012 c 10:** See note following RCW 18.20.010.

**Intent—Applicability—Effective dates—1983 1st ex.s. c 11:** See notes following RCW 84.36.381.

Additional notes found at www.leg.wa.gov

**84.36.385 Residences—Claim for exemption—Forms—Change of status—Publication and notice of qualifications and manner of making claims.** (1) A claim for exemption under RCW 84.36.381 as now or hereafter amended, may be made and filed at any time during the year for exemption from taxes payable the following year and thereafter and solely upon forms as prescribed and furnished by the department of revenue. However, an exemption from tax under RCW 84.36.381 continues for no more than six years unless a renewal application is filed as provided in subsection (3) of this section.

(2) A person granted an exemption under RCW 84.36.381 must inform the county assessor of any change in status affecting the person's entitlement to the exemption on forms prescribed and furnished by the department of revenue.

(3) Each person exempt from taxes under RCW 84.36.381 in 1993 and thereafter must file with the county assessor a renewal application not later than December 31st of the year the assessor notifies such person of the requirement to file the renewal application. Renewal applications must be on forms prescribed and furnished by the department of revenue.

(4) At least once every six years, the county assessor must notify those persons receiving an exemption from taxes under RCW 84.36.381 of the requirement to file a renewal application. The county assessor may also require a renewal application following an amendment of the income requirements set forth in RCW 84.36.381.

(5) If the assessor finds that the applicant does not meet the qualifications as set forth in RCW 84.36.381, as now or hereafter amended, the claim or exemption must be denied but such denial is subject to appeal under the provisions of RCW 84.48.010 and in accordance with the provisions of RCW 84.40.038. If the applicant had received exemption in prior years based on erroneous information, the taxes must be collected subject to penalties as provided in RCW 84.40.130 for a period of not to exceed five years.

(6) The department and each local assessor is hereby directed to publicize the qualifications and manner of making claims under RCW 84.36.381 through 84.36.389, through communications media, including such paid advertisements or notices as it deems appropriate. Notice of the qualifications, method of making applications, the penalties for not reporting a change in status, and availability of further information must be included on or with property tax statements and revaluation notices for all residential property including mobile homes, except rental properties.

(7) The department must authorize an option for electronic filing of applications and renewal applications for the exemption under RCW 84.36.381.

(8) Beginning August 1, 2019, and by March 1st every fifth year thereafter, the department must publish updated income thresholds. The adjusted thresholds must be rounded up to the nearest one thousand dollars. If the income threshold adjustment is negative, the income threshold for the prior year continues to apply. The department must adjust income thresholds for each county to reflect the most recent year available of estimated county median household incomes, including preliminary estimates or projections, as published by the office of financial management. For the purposes of this subsection, "county median household income" has the same meaning as provided in RCW 84.36.383.

(9) Beginning with the adjustment made by March 1, 2024, as provided in subsection (8) of this section, and every

second adjustment thereafter, if an income threshold in a county is not adjusted based on percentage of county median income, then the income threshold must be adjusted based on the growth of the seasonally adjusted consumer price index for all urban consumers (CPI-U) for the prior twelve month period as published by the United States bureau of labor statistics. In no case may the adjustment be greater than one percent. The adjusted thresholds must be rounded to the nearest one dollar. If the income threshold adjustment is negative, the income threshold for the prior year continues to apply. [2021 c 145 § 24; 2020 c 209 § 2; 2019 c 453 § 3; 2011 c 174 § 106; 2010 c 106 § 308; 2001 c 185 § 8; 1992 c 206 § 13; 1988 c 222 § 10; 1983 1st ex.s. c 11 § 6; 1983 1st ex.s. c 11 § 3; 1979 ex.s. c 214 § 3; 1977 ex.s. c 268 § 2; 1974 ex.s. c 182 § 3.]

**Automatic expiration date and tax preference performance statement exemption—2020 c 209:** See note following RCW 84.36.387.

**Application—Automatic expiration date and tax preference performance statement exemption—2019 c 453:** See notes following RCW 84.36.381.

**Intent—Applicability—Effective dates—1983 1st ex.s. c 11:**See notes following RCW 84.36.381.

Additional notes found at www.leg.wa.gov

**84.36.387 Residences—Claimants—Penalty for falsification—Reduction by remainderman.** (1) Except as provided in subsection (3) of this section, all claims for exemption shall be made and signed under oath by the person entitled to the exemption, by his or her attorney-in-fact or in the event the residence of such person is under mortgage or purchase contract requiring accumulation of reserves out of which the holder of the mortgage or contract is required to pay real estate taxes, by such holder or by the owner: PROVIDED, That if a claim for exemption is made by a person living in a cooperative housing association, corporation, or partnership, such claim shall be made and signed by the person entitled to the exemption and by the authorized agent of such cooperative.

(2) If the taxpayer is unable to submit his or her own claim, the claim shall be submitted by a duly authorized agent or by a guardian or other person charged with the care of the person or property of such taxpayer.

(3) All claims for exemption and renewal applications shall be accompanied by such documented verification of income as shall be prescribed by rule adopted by the department of revenue.

(4) Any person signing a false claim with the intent to defraud or evade the payment of any tax is guilty of perjury under chapter 9A.72 RCW.

(5) The tax liability of a cooperative housing association, corporation, or partnership shall be reduced by the amount of tax exemption to which a claimant residing therein is entitled and such cooperative shall reduce any amount owed by the claimant to the cooperative by such exact amount of tax exemption or, if no amount be owed, the cooperative shall make payment to the claimant of such exact amount of exemption.

(6) A remainderman or other person who would have otherwise paid the tax on real property that is the subject of an exemption granted under RCW 84.36.381 for an estate for life shall reduce the amount which would have been payable by the life tenant to the remainderman or other person to the extent of the exemption. If no amount is owed or separately stated as an obligation between these persons, the remainderman or other person shall make payment to the life tenant in the exact amount of the exemption. [2020 c 209 § 1; 2003 c 53 § 408; 1992 c 206 § 14; 1980 c 185 § 6; 1975 1st ex.s. c 291 § 16; 1974 ex.s. c 182 § 4.]

**Automatic expiration date and tax preference performance statement exemption—2020 c 209:** "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act." [2020 c 209 § 4.]

**Intent—Effective date—2003 c 53:** See notes following RCW 2.48.180.

Additional notes found at www.leg.wa.gov

**84.36.389 Residences—Rules and regulations—Audits—Confidentiality—Criminal penalty.** (1) The director of the department of revenue shall adopt such rules and regulations and prescribe such forms as may be necessary and appropriate for implementation and administration of this chapter subject to chapter 34.05 RCW, the administrative procedure act.

(2) The department may conduct such audits of the administration of RCW 84.36.381 through 84.36.389 and the claims for exemption filed thereunder as it considers necessary. The powers of the department under chapter 84.08 RCW apply to these audits.

(3) Any information or facts concerning confidential income data obtained by the assessor or the department, or their agents or employees, under subsection (2) of this section shall be used only to administer RCW 84.36.381 through 84.36.389. Notwithstanding any provision of law to the contrary, absent written consent by the person about whom the information or facts have been obtained, the confidential income data shall not be disclosed by the assessor or the assessor's agents or employees to anyone other than the department or the department's agents or employees nor by the department or the department's agents or employees to anyone other than the assessor or the assessor's agents or employees except in a judicial proceeding pertaining to the taxpayer's entitlement to the tax exemption under RCW 84.36.381 through 84.36.389. Any violation of this subsection is a misdemeanor. [1979 ex.s. c 214 § 4; 1974 ex.s. c 182 § 5.]

Additional notes found at www.leg.wa.gov

**84.36.400 Improvements to single-family dwellings.** Any physical improvement to single-family dwellings upon real property, including constructing an accessory dwelling unit, whether attached to or within the single-family dwelling or as a detached unit on the same real property, shall be exempt from taxation for the three assessment years subsequent to the completion of the improvement to the extent that the improvement represents thirty percent or less of the value of the original structure. A taxpayer desiring to obtain the exemption granted by this section must file notice of his or her intention to construct the improvement prior to the improvement being made on forms prescribed by the department of revenue and furnished to the taxpayer by the county assessor: PROVIDED, That this exemption cannot be claimed more than once in a five-year period.

The department of revenue shall promulgate such rules and regulations as are necessary and convenient to properly

administer the provisions of this section. [2020 c 204 § 1; 2013 c 23 § 350; 1972 ex.s. c 125 § 3.]

**Application—2020 c 204:** "This act applies to taxes levied for collection in 2021 and thereafter." [2020 c 204 § 2.]

**Automatic expiration date and tax preference performance statement exemption—2020 c 204:** "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act." [2020 c 204 § 3.]

**Report to legislature—2020 c 204:** "The department of revenue must work with county assessors to review and evaluate the three year property tax exemption for home improvements to determine its effectiveness in encouraging homeowners to upgrade their residences, while avoiding the sudden and potentially large increases in assessed value and property tax which can otherwise occur. The review shall include an analysis of the types of properties and the value of exempt improvements by geographic area to develop a better demographic and geographic understanding of the home improvement property tax exemption and the locations and types of communities where the homes are located. The department of revenue must report their findings to the appropriate committees of the legislature by November 15, 2020." [2020 c 204 § 4.]

Additional notes found at www.leg.wa.gov

**84.36.451 Right to occupy or use certain public property, including leasehold interests.** (1) The following property is exempt from taxation: Any and all rights to occupy or use any real or personal property owned in fee or held in trust by:

(a) The United States, the state of Washington, or any political subdivision or municipal corporation of the state of Washington, or a federally recognized Indian tribe for property exempt under RCW 84.36.010; or

(b) A public corporation, commission, or authority created under RCW 35.21.730 or 35.21.660 if the property is listed on or is within a district listed on any federal or state register of historical sites; and

(c) Any leasehold interest arising from the property identified in (a) and (b) of this subsection as defined in RCW 82.29A.020.

(2) The exemption under this section does not apply to:

(a) Any such leasehold interests which are a part of operating properties of public utilities subject to assessment under chapter 84.12 RCW; or

(b) Any such leasehold interest consisting of three thousand or more residential and recreational lots that are or may be subleased for residential and recreational purposes.

(3) The exemption under this section may not be construed to modify the provisions of RCW 84.40.230. [2014 c 207 § 6; 2001 c 26 § 2; 1979 ex.s. c 196 § 10; 1975-'76 2nd ex.s. c 61 § 14.]

**Application—2014 c 207:** See note following RCW 84.36.010.

*Leasehold excise tax: Chapter 82.29A RCW.*

Additional notes found at www.leg.wa.gov

**84.36.470 Agricultural products—Exemption.** The following property shall be exempt from taxation: Any agricultural product as defined in RCW 82.04.213 and grown or produced for sale by any person upon the person's own lands or upon lands in which the person has a present right of possession. Taxpayers shall not be required to report, or assessors to list, the inventories covered by this exemption. [1997 c 156 § 6; 1989 c 378 § 12; 1975 1st ex.s. c 291 § 17; 1974 ex.s. c 169 § 8.]

**Legislative intent—Review—Reports—1974 ex.s. c 169:** "This 1974 act is intended to stimulate the economy of the state, and thereby to increase the revenues of the state and its local taxing districts. The department of revenue shall review the impact of this 1974 act upon the economy and revenues of the state and its local taxing districts, and shall report thereon biennially to the legislature. Recommendations for additional legislation shall be included in such reports if such legislation is needed to assure that the economic stimulus provided by this 1974 act is balanced by increased revenues." [1974 ex.s. c 169 § 1.]

*Powers of department of revenue to promulgate rules and prescribe procedures to carry out this section: RCW 84.40.405.*

Additional notes found at www.leg.wa.gov

**84.36.477 Business inventories.** (1) Business inventories are exempt from property taxation.

(2) As used in this section:

(a)(i) "Business inventories" means all livestock, inventories of finished goods and work in process, and personal property not under lease or rental, acquired, or produced solely for the purpose of sale or lease or for the purpose of consuming the property in producing for sale or lease a new article of tangible personal property of which the property becomes an ingredient or component.

(ii) "Business inventories" also includes:

(A) All grains and flour, fruit and fruit products, unprocessed timber, vegetables and vegetable products, and fish and fish products, while being transported to or held in storage in a public or private warehouse or storage area if actually shipped to points outside the state on or before April 30th of the first year for which they would otherwise be taxable;

(B) All finished plywood, hardboard, and particleboard panels shipped from outside this state to any processing plant within this state, if the panels are moving under a through freight rate to final destination outside this state and the carrier grants the shipper the privilege of stopping the shipment in transit for the purpose of storing, milling, manufacturing, or other processing, while the panels are in the process of being treated or shaped into flat component parts to be incorporated into finished products outside this state and for thirty days after completion of the processing or treatment;

(C) All ore or metal shipped from outside this state to any smelter or refining works within this state, while in process of reduction or refinement and for thirty days after completion of the reduction or refinement; and

(D) All metals refined by electrolytic process into cathode or bar form while in this form and held under negotiable warehouse receipt in a public or private warehouse recognized by an established incorporated commodity exchange and for sale through the exchange.

(iii) "Business inventories" does not include personal property acquired or produced for the purpose of lease or rental if the property was leased or rented at any time during the calendar year immediately preceding the year of assessment and was not thereafter remanufactured, nor does it include property held within the normal course of business for lease or rental for periods of less than thirty days.

(iv) "Business inventories" does not include agricultural or horticultural property fully or partially exempt under RCW 84.36.470.

(v) "Business inventories" does not include timber that is standing on public land and that is sold under a contract entered into after August 1, 1982;

(b) "Fish and fish products" means all fish and fish products suitable and designed for human consumption, excluding all others;

(c) "Fruit and fruit products" means all raw edible fruits, berries, and hops and all processed products of fruits, berries, or hops, suitable and designed for human consumption, while in the hands of the first processor;

(d) "Processed" means canning, barreling, bottling, preserving, refining, freezing, packing, milling, or any other method employed to keep any grain, fruit, vegetable, or fish in an edible condition or to put it into more suitable or convenient form for consuming, storing, shipping, or marketing;

(e) "Remanufactured" means the restoration of property to essentially its original condition, but does not mean normal maintenance or repairs; and

(f) "Vegetables and vegetable products" means all raw edible vegetables such as peas, beans, beets, sugar beets, and other vegetables, and all processed products of vegetables, suitable and designed for human consumption, while in the hands of the first processor. [2001 c 187 § 15; 1983 1st ex.s. c 62 § 6.]

**Short title—Intent—1983 1st ex.s. c 62:** "(1) This act shall be known as the homeowner's property tax relief act of 1983.

(2) The intent of the inventory tax phaseout was to stimulate the economy of the state and to increase the revenues of the state and local taxing districts by attracting new business, encouraging the expansion of existing businesses thereby increasing economic activity and tax revenue on noninventory property. The inventory tax phaseout will cause certain unforeseen and heretofore unprepared for tax shifts among property owners.

(3) This act is intended to lessen the impact of the property tax shift. Relief is provided by the following means:

(a) The state will provide fourteen million dollars over a four-year period to lessen the impact on the most severely affected districts.

(b) Persons purchasing timber on public lands after August 1, 1982, are required to continue to pay property tax on those timber inventories. They will receive a credit against the timber excise tax for these property tax payments.

(c) Local governments are granted the ability to lessen their short-term reliance on the property tax without reducing their future ability to levy property taxes." [1983 1st ex.s. c 62 § 1.]

*Rules and regulations, procedures: RCW 84.40.405.*

Additional notes found at www.leg.wa.gov

**84.36.480 Nonprofit fair associations.** (1) Except as provided otherwise in subsections (2) and (3) of this section, the real and personal property of a nonprofit fair association that sponsors or conducts a fair or fairs that is eligible to receive support from the fair fund, as created in RCW 15.76.115 and allocated by the director of the department of agriculture, is exempt from taxation. To be exempt under this subsection (1), the property must be used exclusively for fair purposes, except as provided in RCW 84.36.805. However, the loan or rental of property otherwise exempt under this section to a private concessionaire or to any person for use as a concession in conjunction with activities permitted under this section do not nullify the exemption if the concession charges are subject to agreement and the rental income, if any, is reasonable and is devoted solely to the operation and maintenance of the property.

(2)(a) Except as provided otherwise in this subsection and subsection (3) of this section, the real and personal property owned by a nonprofit fair association organized under chapter 24.06 RCW and used for fair purposes is exempt from taxation if the majority of such property, as determined by assessed value, was purchased or acquired by the same nonprofit fair association from a county or a city between 1995 and 1998.

(b) The use of exempt property for rental purposes does not negate the exemption under this subsection. However, any rental exceeding fifty consecutive days during any calendar year is subject to leasehold excise tax under chapter 82.29A RCW. For purposes of this subsection, "rental" means a lease, permit, license, or any other agreement granting possession and use, to a degree less than fee simple ownership, between the nonprofit fair association and a person who would not be exempt from property taxes if that person owned the property in fee.

(3) A nonprofit fair association with real and personal property having an assessed value of more than fifteen million dollars is not eligible for the exemptions under this section. [2015 3rd sp.s. c 6 § 2002; 2013 c 212 § 2; 1984 c 220 § 6; 1975 1st ex.s. c 291 § 22.]

**Tax preference performance statement—2015 3rd sp.s. c 6 § 2002:** "(1) This section is the tax preference performance statement for the tax preference contained in section 2002 of this act. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as intended to accomplish a general purpose not identified in RCW 82.32.808(2) (a) through (e).

(3) It is the legislature's specific public policy objective to support nonprofit fairs that obtained a majority of their property from a city or county between 1995 and 1998. The legislature intends to make their property tax exemption permanent, while requiring the collection of leasehold excise tax on any rentals of their exempt property that exceed fifty consecutive days. Because the legislature intends for the changes in this Part XX to be permanent, they are exempt from the ten-year expiration provision in RCW 82.32.805(1)(a)." [2015 3rd sp.s. c 6 § 2001.]

**Application—2015 3rd sp.s. c 6 § 2002:** "Section 2002 of this act applies to taxes levied for collection in 2019 and thereafter." [2015 3rd sp.s. c 6 § 2008.]

**Effective dates—2015 3rd sp.s. c 6:** See note following RCW 82.04.4266.

**Findings—Intent—2013 c 212:** "(1) The legislature finds that nonprofit fairs provide educational opportunities for youth and promote agriculture and the welfare of rural Washington. The legislature further finds that publicly owned fairgrounds can be rented or loaned out on a temporary basis without jeopardizing the property's exempt status for property tax purposes. The legislature further finds that many cities and counties have transferred ownership in fairground properties to nonprofit fair associations to achieve operational efficiencies. The legislature further finds that properties previously owned by cities or counties, and now owned and operated by nonprofit fair associations, may be subject to property tax even though the use of the property has not changed.

(2) It is the intent of the legislature to mitigate an unintended consequence of the property tax code that would otherwise interfere with a city's or county's ability to achieve operational efficiencies and follows best practices by transferring fairgrounds to nonprofit fair associations for an identical use of the property. It is the further intent of the legislature to expire the property tax exemption in five years to evaluate if the exemption has created any unintended consequences, including any unfair competitive advantage that may be conferred by the property tax exemption over private businesses, and identify other similar tax situations where ownership of property may be transferred from a public entity to a nonprofit association." [2013 c 212 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.487 Air pollution control equipment in thermal electric generation facilities—Records—Payments on cessation of operation.** (1) Air pollution control equipment constructed or installed after May 15, 1997, by businesses engaged in the generation of electric energy at thermal electric generation facilities first placed in operation after

December 31, 1969, and before July 1, 1975, shall be exempt from property taxation. The owners shall maintain the records in such a manner that the annual beginning and ending asset balance of the pollution control facilities and depreciation method can be identified.

(2) For the purposes of this section, "air pollution control equipment" means any treatment works, control devices and disposal systems, machinery, equipment, structures, property, property improvements, and accessories, that are installed or acquired for the primary purpose of reducing, controlling, or disposing of industrial waste that, if released to the outdoor atmosphere, could cause air pollution, or that are required to meet regulatory requirements applicable to their construction, installation, or operation.

(3) *RCW 82.32.393 applies to this section. [1997 c 368 § 11.]

***Reviser's note:** RCW 82.32.393 expired December 31, 2015.

**Findings—Intent—Rules adoption—Severability—Effective date—1997 c 368:** See notes following RCW 82.08.810.

**84.36.500 Conservation futures on agricultural land.** All conservation futures on agricultural lands acquired pursuant to RCW 64.04.130 or 84.34.200 through 84.34.240, that are held by any nonprofit corporation or association, the primary purpose of which is conserving agricultural lands and preventing the conversion of such lands to nonagricultural uses, shall be exempt from ad valorem taxation if:

(1) The conservation futures are of an unlimited duration;

(2) The conservation futures are effectively restricted to preclude nonagricultural uses on such agricultural land; and

(3) The lands are classified as farm and agricultural lands under chapter 84.34 RCW: PROVIDED, That at such time as these property interests are not used for the purposes enumerated in RCW 84.34.210 and 64.04.130 the additional tax specified in *RCW 84.34.108(3) shall be imposed. [1984 c 131 § 11.]

***Reviser's note:** RCW 84.34.108 was amended by 1999 sp.s. c 4 § 706, changing subsection (3) to subsection (4).

**84.36.510 Mobile homes in dealer's inventory.** Any mobile home which is a part of a dealer's inventory and held solely for sale in the ordinary course of the dealer's business and is not used for any other purpose shall be exempt from property taxation: PROVIDED, That this exemption shall not apply to property taxes already levied or delinquent on such mobile home at the time it becomes part of a dealer's inventory. [1985 c 395 § 7.]

**84.36.550 Nonprofit organizations—Property used for solicitation or collection of gifts, donations, or grants.** The real and personal property owned by nonprofit organizations and used for solicitation or collection of gifts, donations, or grants is exempt from taxation if the organization meets all of the following conditions:

(1) The organization is organized and conducted for nonsectarian purposes.

(2) The organization is affiliated with a state or national organization that authorizes, approves, or sanctions volunteer charitable fund-raising organizations.

(3) The organization is qualified for exemption under section 501(c)(3) of the federal internal revenue code.

(4) The organization is governed by a volunteer board of directors.

(5) The gifts, donations, and grants are used by the organization for character-building, benevolent, protective, or rehabilitative social services directed at persons of all ages, or for distribution under subsection (6) of this section.

(6) The organization distributes gifts, donations, or grants to at least five other nonprofit organizations or associations that are organized and conducted for nonsectarian purposes and provide character-building, benevolent, protective, or rehabilitative social services directed at persons of all ages. [1993 c 79 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.560 Nonprofit organizations that provide rental housing or used space to qualifying households.** (1) The real and personal property owned or used by a nonprofit entity in providing rental housing for qualifying households or used to provide space for the placement of a mobile home for a qualifying household within a mobile home park is exempt from taxation if:

(a) The benefit of the exemption inures to the nonprofit entity;

(b) At least seventy-five percent of the occupied dwelling units in the rental housing or lots in a mobile home park are occupied by a qualifying household; and

(c) The rental housing or lots in a mobile home park were insured, financed, or assisted in whole or in part through one or more of the following sources:

(i) A federal or state housing program administered by the department of commerce;

(ii) A federal housing program administered by a city or county government;

(iii) An affordable housing levy authorized under RCW 84.52.105;

(iv) The surcharges authorized by RCW 36.22.178 and 36.22.179 and any of the surcharges authorized in chapter 43.185C RCW; or

(v) The Washington state housing finance commission, provided that the financing is for a mobile home park cooperative or a manufactured housing cooperative, as defined in RCW 59.20.030, or a nonprofit entity.

(2) If less than seventy-five percent of the occupied dwelling units within the rental housing or lots in the mobile home park are occupied by qualifying households, the rental housing or mobile home park is eligible for a partial exemption on the real property and a total exemption of the housing's or park's personal property as follows:

(a) A partial exemption is allowed for each dwelling unit in the rental housing or for each lot in a mobile home park occupied by a qualifying household.

(b) The amount of exemption must be calculated by multiplying the assessed value of the property reasonably necessary to provide the rental housing or to operate the mobile home park by a fraction. The numerator of the fraction is the number of dwelling units or lots occupied by qualifying households as of December 31st of the first assessment year in which the rental housing or mobile home park becomes operational or on January 1st of each subsequent assessment

year for which the exemption is claimed. The denominator of the fraction is the total number of dwelling units or lots occupied as of December 31st of the first assessment year the rental housing or mobile home park becomes operational and January 1st of each subsequent assessment year for which exemption is claimed.

(3) If a currently exempt rental housing unit or mobile home lot in a mobile home park was occupied by a qualifying household at the time the exemption was granted and the income of the household subsequently rises above the threshold set in subsection (7)(e) of this section but remains at or below eighty percent of the median income, the exemption will continue as long as the housing continues to meet the certification requirements listed in subsection (1) of this section. For purposes of this section, median income, as most recently determined by the federal department of housing and urban development for the county in which the rental housing or mobile home park is located, shall be adjusted for family size. However, if a dwelling unit or a lot becomes vacant and is subsequently rerented, the income of the new household must be at or below the threshold set in subsection (7)(e) of this section to remain exempt from property tax.

(4) If at the time of initial application the property is unoccupied, or subsequent to the initial application the property is unoccupied because of renovations, and the property is not currently being used for the exempt purpose authorized by this section but will be used for the exempt purpose within two assessment years, the property shall be eligible for a property tax exemption for the assessment year in which the claim for exemption is submitted under the following conditions:

(a) A commitment for financing to acquire, construct, renovate, or otherwise convert the property to provide housing for qualifying households has been obtained, in whole or in part, by the nonprofit entity claiming the exemption from one or more of the sources listed in subsection (1)(c) of this section;

(b) The nonprofit entity has manifested its intent in writing to construct, remodel, or otherwise convert the property to housing for qualifying households; and

(c) Only the portion of property that will be used to provide housing or lots for qualifying households shall be exempt under this section.

(5) To be exempt under this section, the property must be used exclusively for the purposes for which the exemption is granted, except as provided in RCW 84.36.805.

(6) The nonprofit entity qualifying for a property tax exemption under this section may agree to make payments to the city, county, or other political subdivision for improvements, services, and facilities furnished by the city, county, or political subdivision for the benefit of the rental housing. However, these payments shall not exceed the amount last levied as the annual tax of the city, county, or political subdivision upon the property prior to exemption.

(7) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Group home" means a single-family dwelling financed, in whole or in part, by one or more of the sources listed in subsection (1)(c) of this section. The residents of a group home shall not be considered to jointly constitute a household, but each resident shall be considered to be a separate household occupying a separate dwelling unit. The individual incomes of the residents shall not be aggregated for purposes of this exemption;

(b) "Mobile home lot" or "mobile home park" means the same as these terms are defined in RCW 59.20.030;

(c) "Occupied dwelling unit" means a living unit that is occupied by an individual or household as of December 31st of the first assessment year the rental housing becomes operational or is occupied by an individual or household on January 1st of each subsequent assessment year in which the claim for exemption is submitted. If the housing facility is comprised of three or fewer dwelling units and there are any unoccupied units on January 1st, the department shall base the amount of the exemption upon the number of occupied dwelling units as of December 31st of the first assessment year the rental housing becomes operational and on May 1st of each subsequent assessment year in which the claim for exemption is submitted;

(d) "Rental housing" means a residential housing facility or group home that is occupied but not owned by qualifying households;

(e)(i) "Qualifying household" means a single person, family, or unrelated persons living together whose income is at or below fifty percent of the median income adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the rental housing or mobile home park is located and in effect as of January 1st of the year the application for exemption is submitted;

(ii) Beginning July 1, 2021, "qualifying household" means a single person, family, or unrelated persons living together whose income is at or below sixty percent of the median income adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the rental housing or mobile home park is located and in effect as of January 1st of the year the application for exemption is submitted; and

(f) "Nonprofit entity" means a:

(i) Nonprofit as defined in RCW 84.36.800 that is exempt from income tax under section 501(c) of the federal internal revenue code;

(ii) Limited partnership where a nonprofit as defined in RCW 84.36.800 that is exempt from income tax under section 501(c) of the federal internal revenue code, a public corporation established under RCW 35.21.660, 35.21.670, or 35.21.730, a housing authority created under RCW 35.82.030 or 35.82.300, or a housing authority meeting the definition in RCW 35.82.210(2)(a) is a general partner;

(iii) Limited liability company where a nonprofit as defined in RCW 84.36.800 that is exempt from income tax under section 501(c) of the federal internal revenue code, a public corporation established under RCW 35.21.660, 35.21.670, or 35.21.730, a housing authority established under RCW 35.82.030 or 35.82.300, or a housing authority meeting the definition in RCW 35.82.210(2)(a) is a managing member; or

(iv) Mobile home park cooperative or a manufactured housing cooperative, as defined in RCW 59.20.030. [2020 c 273 § 1; 2019 c 390 § 11; 2007 c 301 § 1; 2001 1st sp.s. c 7 § 1; 1999 c 203 § 1.]

**Automatic expiration date and tax preference performance statement exemption—2020 c 273:** "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act." [2020 c 273 § 3.]

**Tax preference performance statement and expiration—2019 c 390:** "The provisions of RCW 82.32.805 and 82.32.808 do not apply to section 11 of this act." [2019 c 390 § 12.]

**Finding—Intent—2019 c 390:** See note following RCW 59.21.005.

Additional notes found at www.leg.wa.gov

**84.36.570 Nonprofit organizations—Property used for agricultural research and education programs.** (1) All real and personal property owned by a nonprofit organization, corporation, or association to provide a demonstration farm with research and extension facilities, a public agricultural museum, and an educational tour site, which is used by a state university for agricultural research and education programs, is exempt from property taxation. This exemption includes all real and personal property that may be used in the production and sale of agricultural products, not to exceed fifty acres, if the income is used to further the purposes of the organization, corporation, or association.

(2) To qualify for this exemption:

(a) The nonprofit organization, corporation, or association must be qualified for exemption under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)); and

(b) The property must be used exclusively for the purposes for which the exemption is granted, except as provided in RCW 84.36.805. [1999 c 139 § 1.]

**84.36.590 Property used in connection with privatization contract at Hanford reservation.** (1)(a) Beginning with taxes levied for collection in calendar year 2006, all personal property located on land owned by the United States, or an instrumentality of the United States, at the Hanford reservation that is used exclusively in the performance of a privatization contract to pretreat, treat, vitrify, and immobilize tank waste under subsection (2) of this section is exempt from taxation.

(b) Beginning with taxes levied for collection in calendar year 2002, and until the application of (a) of this subsection, all personal property located on land owned by the United States, or an instrumentality of the United States, at the Hanford reservation that is used exclusively in the performance of a privatization contract to pretreat, treat, vitrify, and immobilize tank waste under subsection (3) of this section is exempt from taxes levied by the state.

(2) To qualify for the exemption provided in subsection (1)(a) of this section, the personal property must be owned by a person that has a privatization contract to pretreat, treat, vitrify, and immobilize tank waste located at the Hanford reservation. For the purposes of this section, a privatization contract means a contract in which the United States, or an instrumentality of the United States, has designated the other contracting party as a party responsible for carrying out tank waste clean-up operations at the Hanford reservation.

(3) To qualify for the exemption provided in subsection (1)(b) of this section, the personal property must be owned by a person that has, and complies with, a privatization contract to pretreat, treat, vitrify, and immobilize tank waste located at the Hanford reservation. The personal property must be acquired or constructed, and operated, in compliance with the tank waste treatment complex requirements of the Hanford federal facility agreement and consent order, including schedules for tank waste treatment complex start of construction, initiation of hot commissioning, and schedules for tank waste pretreatment processing and vitrification. The privatization contractor shall submit annually, on or before August 1st, a progress report to the Washington state department of ecology documenting compliance with the requirements of the agreement and consent order and the terms of the privatization contract. The department of ecology shall annually issue, on or before October 1st, a determination to the department of revenue indicating whether the privatization contractor is in compliance with the requirements of the agreement and consent order.

(4) An inadvertent use of property, which otherwise qualifies for an exemption under this section, in a manner inconsistent with the purpose for which the exemption is granted, does not nullify the exemption if the inadvertent use is not part of a pattern of use. A pattern of use is presumed when an inadvertent use is repeated in the same assessment year or in two or more successive assessment years. [2000 c 246 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.595 Motor vehicles, travel trailers, campers, and vehicles carrying exempt licenses.** (1) For the purposes of this section, the following definitions apply:

(a) "Motor vehicle" means all motor vehicles, trailers, and semitrailers used, or of the type designed primarily to be used, upon the public streets and highways, for the convenience or pleasure of the owner, or for the conveyance, for hire or otherwise, of persons or property, including fixed loads and facilities for human habitation; but shall not include (i) vehicles carrying exempt licenses; (ii) dock and warehouse tractors and their cars or trailers, lumber carriers of the type known as spiders, and all other automotive equipment not designed primarily for use upon public streets or highways; (iii) motor vehicles or their trailers used entirely upon private property; (iv) mobile homes as defined in RCW 46.04.302; or (v) motor vehicles owned by nonresident military personnel of the armed forces of the United States stationed in the state of Washington, provided personnel were also nonresident at the time of their entry into military service.

(b) "Travel trailer" has the meaning given in RCW 46.04.623. However, if a park trailer, as defined in RCW 46.04.622, has substantially lost its identity as a mobile unit by virtue of its being permanently sited in location and placed on a foundation of either posts or blocks with connections with sewer, water, or other utilities for the operation of installed fixtures and appliances, it will be considered real property and will be subject to ad valorem property taxation imposed in accordance with this title, including the provisions with respect to omitted property, except that a park trailer located on land not owned by the owner of the park trailer will be subject to the personal property provisions of chapter 84.56 RCW and RCW 84.60.040.

(c) "Camper" has the meaning given in RCW 46.04.085.

(2) Motor vehicles, vehicles carrying exempt licenses, travel trailers, and campers are exempt from property taxation. [2004 c 156 § 1; 2000 c 136 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.597 Heavy equipment rental property.** (1) All heavy equipment rental property owned by a heavy equipment rental property dealer is exempt from taxation.

(2) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a)(i) "Heavy equipment rental property" means any equipment that is rented by a heavy equipment rental property dealer that:

(A) Is mobile. For purposes of this subsection, "mobile" means that the heavy equipment property is not permanently affixed to real property and may be moved among worksites as needed;

(B) Is customarily used for construction, earthmoving, or industrial applications. For the purposes of this subsection, "construction, earthmoving, or industrial applications" means the constructing of new buildings or other structures, or the repairing, remodeling, or expansion of existing buildings or other structures, under, upon, or above real property; the repositioning of terrain using vehicles or self-propelled equipment; and manufacturing or processing raw materials or other ingredients or components into new articles of tangible personal property for sale; and

(C) Is rented without an operator.

(ii) Subject to the provisions of (a)(i) of this subsection, "heavy equipment rental property" includes, but is not limited to the following:

(A) Earthmoving equipment, including but not limited to backhoes, loaders, rollers, excavators, bulldozers, and dump trucks;

(B) Self-propelled vehicles that are not designed to be driven on the highway;

(C) Industrial electrical generation equipment;

(D) Industrial lift equipment;

(E) Industrial material handling equipment;

(F) Equipment used in shoring, shielding, and ground trenching;

(G) Portable power and HVAC generation equipment;

(H) Attachments to heavy equipment rental property, including but not limited to buckets, augers, hammers for backhoes, hoses, fittings, piping, chains, tools (such as jack hammers and cement chippers), and portable power connections;

(I) Ancillary equipment, including but not limited to generators, ground thawing equipment, fluid transfer equipment, pumping equipment, portable storage, portable fuel and water tanks, and light towers; and

(J) Equipment or vehicles not subject to vehicle license fees and not required to be registered with the department of licensing.

(iii) "Heavy equipment rental property" does not include small hand tools, chainsaws, or lawnmowers.

(b) "Heavy equipment rental property dealer" means a person principally engaged in the business of renting heavy equipment rental property. For purposes of this subsection, "principally" means that the heavy equipment rental property dealer receives more than fifty percent of the dealer's annual total revenue from the rental of heavy equipment rental property.

(3)(a) The exemption in subsection (1) of this section does not apply in any tax year to heavy equipment rental property that the heavy equipment rental property dealer rented or leased at any time during the immediately preceding tax year to a person with whom the heavy equipment rental property dealer is affiliated.

(b) For purposes of this subsection, "affiliated" means:

(i) One person has an ownership interest of more than five percent, whether direct or indirect, in the other person; or

(ii) Persons who are related to each other because a third person, or group of third persons who are affiliated with respect to each other, holds an ownership interest of more than five percent, whether direct or indirect, in the related persons.

(4)(a) A claim for exemption under this section must be filed with the county assessor together with the statement required under RCW 84.40.190, for exemption from taxes payable the following year.

(b) The claim must be made solely upon forms as prescribed and approved by the department.

(c) If the assessor finds that the applicant does not meet the requirements for exemption under this section, the exemption must be denied but such denial is subject to appeal under the provisions of RCW 84.48.010 and 84.40.038.

(5) If a heavy equipment rental property dealer received an exemption under this section based on erroneous information provided by the heavy equipment rental property dealer to the county assessor, the taxes must be collected for a period not to exceed five years, subject to penalties as follows:

(a) Twenty-five percent of the total tax due;

(b) Fifty percent of the total tax due if the heavy equipment rental property dealer was previously assessed a penalty under this subsection, unless the penalty was overturned by a court or administrative tribunal in a final decision that is no longer subject to appeal; or

(c) A penalty as provided in RCW 84.40.130(2), if the heavy equipment rental property dealer, with intent to defraud, submitted a false or materially misleading claim for exemption.

(6) The department may adopt rules as it deems necessary to administer this section. [2020 c 301 § 1.]

**Application—2020 c 301 § 1:** "Section 1 of this act applies to taxes levied for collection in 2022 and thereafter." [2020 c 301 § 8.]

**Automatic expiration date and tax preference performance statement exemption—2020 c 301:** See RCW 82.51.900.

**84.36.600 Computer software.** (1) All custom computer software, except embedded software, is exempt from property taxation.

(2) Retained rights in computer software are exempt from property taxation.

(3) Modifications to canned software are exempt from property taxation, but the underlying canned software remains subject to taxation as provided in RCW 84.40.037.

(4) Master or golden copies of computer software are exempt from property taxation. [1991 sp.s. c 29 § 3.]

**Findings, intent—Severability—Application—1991 sp.s. c 29:** See notes following RCW 84.04.150.

**84.36.605 Sales/leasebacks by regional transit authorities.** All real and personal property subject to a sale/leaseback agreement under RCW 81.112.300 is exempt from taxation. [2000 2nd sp.s. c 4 § 27.]

**Findings—Construction—2000 2nd sp.s. c 4 §§ 18-30:** See notes following RCW 81.112.300.

**84.36.630 Farming machinery and equipment.** (1) All machinery and equipment owned by a farmer that is personal property is exempt from property taxes levied for any state purpose, including the additional state property tax imposed under RCW 84.52.065(2), if it is used exclusively in growing and producing agricultural products during the calendar year for which the claim for exemption is made.

(2) "Farmer" and "agricultural product" have the same meaning as defined in RCW 82.04.213.

(3) A claim for exemption under this section must be filed with the county assessor together with the statement required under RCW 84.40.190, for exemption from taxes payable the following year. The claim must be made solely upon forms as prescribed and furnished by the department of revenue. [2017 3rd sp.s. c 13 § 312; 2014 c 140 § 28; 2003 c 302 § 7; 2001 2nd sp.s. c 24 § 1.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

Additional notes found at www.leg.wa.gov

**84.36.635 Property used for the operation of an anaerobic digester.** (1) For the purposes of this section, "anaerobic digester" has the same meaning as provided in RCW 82.08.900.

(2) All buildings, machinery, equipment, and other personal property which are used primarily for the operation of an anaerobic digester, the land upon which this property is located, and land that is reasonably necessary in the operation of an anaerobic digester, are exempt from property taxation for the six assessment years following the date on which the facility or the addition to the existing facility becomes operational.

(3) Claims for exemptions authorized by this section must be filed with the county assessor on forms prescribed by the department of revenue and furnished by the assessor. Once filed, the exemption is valid for six assessment years following the date on which the facility or the addition to the existing facility becomes operational and may not be renewed. The assessor must verify and approve claims as the assessor determines to be justified and in accordance with this section. No claims may be filed after December 31, 2024.

(4) The department of revenue may promulgate such rules, pursuant to chapter 34.05 RCW, as necessary to properly administer this section. [2018 c 164 § 8; 2010 1st sp.s. c 11 § 4; 2008 c 268 § 1; 2003 c 261 § 9.]

**Tax preference performance statement—Effective date—2018 c 164:** See notes following RCW 82.08.900.

Additional notes found at www.leg.wa.gov

**84.36.640 Property used for the manufacture of wood biomass fuel.** (1) For the purposes of this section, "wood biomass fuel" means a pyrolytic liquid fuel or synthesis gas-derived liquid fuel, used in internal combustion engines, and produced from wood, forest, or field residue, or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic.

(2)(a) All buildings, machinery, equipment, and other personal property which is used primarily for the manufacturing of wood biomass fuel, the land upon which this property is located, and land that is reasonably necessary in the manufacturing of wood biomass fuel, but not land necessary for growing of crops, which together comprise a new manufacturing facility or an addition to an existing manufacturing facility, are exempt from property taxation for the six assessment years following the date on which the facility or the addition to the existing facility becomes operational.

(b) For manufacturing facilities which produce products in addition to wood biomass fuel, the amount of the property tax exemption is based upon the annual percentage of the total value of all products manufactured that is the value of the wood biomass fuel manufactured.

(3) Claims for exemptions authorized by this section must be filed with the county assessor on forms prescribed by the department of revenue and furnished by the assessor. Once filed, the exemption is valid for six years and may not be renewed. The assessor must verify and approve claims as the assessor determines to be justified and in accordance with this section. No claims may be filed after December 31, 2015.

The department of revenue may promulgate such rules, pursuant to chapter 34.05 RCW, as necessary to properly administer this section. [2010 1st sp.s. c 11 § 5; 2003 c 339 § 9.]

Additional notes found at www.leg.wa.gov

**84.36.645 Semiconductor materials.** ***(Contingent effective date; contingent expiration date.)*** (1) Machinery and equipment exempt under RCW 82.08.02565 or 82.12.02565 used in manufacturing semiconductor materials at a building exempt from sales and use tax and in compliance with the employment requirement under RCW 82.08.965 and 82.12.965 are exempt from property taxation. "Semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(2) A person seeking this exemption must make application to the county assessor, on forms prescribed by the department.

(3) A person claiming an exemption under this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(4) This section is effective for taxes levied for collection one year after *the effective date of section 150, chapter 114, Laws of 2010 and thereafter.

(5) This section expires January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs. [2017 3rd sp.s. c 37 § 514; (2017 3rd sp.s. c 37 § 513 expired January 1, 2018); 2017 c 135 § 45; 2010 c 114 § 150; 2003 c 149 § 10.]

**Effective date—2017 3rd sp.s. c 37 §§ 101-104, 403, 503, 506, 508, 510, 512, 514, 516, 518, 520, 522, 524, 526, 703, 705, 707, and 801-803:** See note following RCW 82.04.2404.

**Expiration date—2017 3rd sp.s. c 37 §§ 502, 505, 507, 509, 511, 513, 515, 517, 519, 521, 523, and 525:** See note following RCW 82.04.2404.

***Contingent effective date—2017 c 135; 2010 c 114:** See RCW 82.32.790.

**Effective date—2017 c 135:** See note following RCW 82.32.534.

**Finding—Intent—2010 c 114:** See note following RCW 82.32.534.

**Findings—Intent—2003 c 149:** See note following RCW 82.04.426.

**84.36.650 Property used by certain nonprofits to solicit or collect money for artists.** The real and personal property owned or used by a nonprofit organization is exempt from taxation if the property is used for solicitation or collection of gifts, donations, or grants for the support of individual artists and the organization meets all of the following conditions:

(1) The organization is organized and conducted for nonsectarian purposes.

(2) The organization is qualified for exemption under section 501(c)(3) of the federal internal revenue code.

(3) The organization is governed by a volunteer board of directors of at least eight members.

(4) If the property is leased, the benefit of the exemption inures to the user.

(5) The gifts, donations, and grants are used by the organization for grants, fellowships, information services, and educational resources in support of individual artists engaged in the production or performance of musical, dance, artistic, dramatic, or literary works. [2003 c 344 § 1.]

Additional notes found at www.leg.wa.gov

**84.36.655 Property related to the manufacture of superefficient airplanes.** ***(Expires July 1, 2040.)*** (1) Effective January 1, 2005, all buildings, machinery, equipment, and other personal property of a lessee of a port district eligible under RCW 82.08.980 and 82.12.980, used exclusively in manufacturing superefficient airplanes, are exempt from property taxation. A person taking the credit under RCW 82.04.4463 is not eligible for the exemption under this section. For the purposes of this section, "superefficient airplane" and "component" have the meanings given in RCW 82.32.550.

(2) In addition to all other requirements under this title, a person claiming the exemption under this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(3) Claims for exemption authorized by this section must be filed with the county assessor on forms prescribed by the department and furnished by the assessor. The assessor must verify and approve claims as the assessor determines to be justified and in accordance with this section. No claims may be filed after December 31, 2039. The department may adopt rules, under the provisions of chapter 34.05 RCW, as necessary to properly administer this section.

(4) This section applies to taxes levied for collection in 2006 and thereafter.

(5) This section expires July 1, 2040. [2017 c 135 § 46; 2013 3rd sp.s. c 2 § 14; 2010 c 114 § 151; 2003 2nd sp.s. c 1 § 14.]

**Effective date—2017 c 135:** See note following RCW 82.32.534.

**Contingent effective date—2013 3rd sp.s. c 2:** See RCW 82.32.850.

**Findings—Intent—2013 3rd sp.s. c 2:** See note following RCW 82.32.850.

**Application—Finding—Intent—2010 c 114:** See notes following RCW 82.32.534.

**Finding—2003 2nd sp.s. c 1:** See note following RCW 82.04.4461.

**84.36.660 Installation of automatic sprinkler system under RCW 19.27.500 through 19.27.520.** (1) Prior to installation of an automatic sprinkler system under RCW 19.27.500 through 19.27.520, an owner or lessee of property who meets the requirements of this section may apply to the assessor of the county in which the property is located for a special property tax exemption. This application shall be made upon forms prescribed by the department of revenue and supplied by the county assessor.

(a)(i) If a lessee of the property has paid for all expenses associated with the installation and purchase of the automatic sprinkler system, then the benefit of the exemption must inure to the lessee.

(ii) A lessee, otherwise eligible to receive the benefit of the exemption under this section, is entitled to receive such benefit only to the extent that the lessee maintains a valid lease agreement with the property owner for the property in which the automatic sprinkler system was installed pursuant to RCW 19.27.500.

(b) An exemption may be granted under this section only to the property owner or lessee that pays for all expenses associated with the installation and purchase of the automatic sprinkler system. In no event may both the property owner and the lessee receive an exemption under this section in the same calendar year for the installation and purchase of the same automatic sprinkler system.

(c) After December 31, 2009, no new application for a special tax exemption under this section may be: Made by a property owner or lessee; or accepted by the county assessor.

(2) As used in this chapter, "special property tax exemption" means the determination of the assessed value of the property subtracting, for ten years, the increase in value attributable to the installation of an automatic sprinkler system under RCW 19.27.500 through 19.27.520.

(3) The county assessor shall, for ten consecutive assessment years following the calendar year in which application is made, place a special property tax exemption on property classified as eligible. [2007 c 434 § 3; 2005 c 148 § 4.]

**84.36.665 Military housing.** (1) Military housing is exempt from taxation if the housing meets the following requirements:

(a) The military housing must be situated on land owned in fee by the United States;

(b) The military housing must be used for the housing of military personnel and their families; and

(c) The military housing must be a development project awarded under the military housing privatization initiative.

(2) To qualify property for the exemption under this section, the project owner must submit an application to the department in a form and manner prescribed by the department. Any change in the use of the property that affects the qualification of the property must be reported to the department.

(3) The definitions in this subsection apply to this section.

(a) "Ancillary supporting facilities" means facilities related to military housing units, including facilities to provide or support elementary or secondary education, child care centers, day care centers, child development centers, tot lots, community centers, housing offices, dining facilities, unit

offices, and other similar facilities for the support of military housing.

(b) "Military housing" means military housing units and ancillary supporting facilities.

(c) "Military housing privatization initiative" means the military housing privatization initiative of 1996, 10 U.S.C. Secs. 2871 through 2885, as existing on June 12, 2008, or some later date as the department may provide. [2008 c 84 § 1.]

**84.36.670 Senior citizen organizations—Property used for operation of a multipurpose senior citizen center.** (1) One or more contiguous real property parcels and personal property owned by a senior citizen organization are exempt from taxation, if the property is used for the actual operation of a multipurpose senior citizen center.

(2) The exemption in this section is not nullified by the use of the exempt property as provided in this subsection.

(a) The exempt property may be loaned or rented, if the rent and donations received for the use of the multipurpose senior citizen center are reasonable and do not exceed the maintenance and operation expenses attributable to the portion of the property loaned or rented.

(b) The exempt property may be used for fund-raising events and activities, including the operation of a farmers market or a thrift store, with the purpose of providing financial support for the multipurpose senior citizen center or providing services and activities for senior citizens. If the exempt property is loaned or rented to conduct a fund-raising event for other purposes:

(i) Such event or activities must be conducted by a nonprofit organization eligible for exemption under this chapter; and

(ii) The requirements of (a) of this subsection (2) apply.

(c) An inadvertent use of the exempt property in a manner inconsistent with the purposes of the exemption granted under this section does not nullify the exemption, if the inadvertent use is not part of a pattern of use. A pattern of use is presumed when an inadvertent use is repeated in the same assessment year or in two or more successive years.

(3) Multipurpose senior citizen centers must be available to all regardless of race, color, religion, creed, gender, gender expression, national origin, ancestry, the presence of any sensory, mental, or physical disability, marital status, sexual orientation, or honorably discharged veteran or military status.

(4) The use of the exempt property, other than as specifically authorized by this section, nullifies the exemption from taxation otherwise available for the property for the assessment year.

(5) This section is not subject to the provisions of RCW 84.36.805.

(6) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Farmers market" means a regular assembly of vendors at a location for the main purpose of promoting the sale of agricultural products grown, raised, or produced in this state directly to the consumer.

(b) "Multipurpose senior citizen center" means a community facility that provides for a broad spectrum of services to senior citizens, whether provided directly by the nonprofit senior citizen organization that owns the facility or by another person. Such services may include the provision of health, social, nutritional, educational services and the provision of facilities for recreational activities for senior citizens.

(c) "Senior citizen" means a person age sixty or older.

(d) "Senior citizen organization" means a private organization that:

(i) Has a mission, in whole or in part, to support senior citizens;

(ii) Is exempt from federal income tax under section 501(c)(3) of the internal revenue code; and

(iii) Operates a multipurpose senior citizen center.

(e) "Thrift store" means a retail establishment that:

(i) Is operated by a senior citizen organization;

(ii) Is located on the same parcel of real property as the senior citizen organization's multipurpose senior citizen center, or on a contiguous parcel of real property;

(iii) Sells goods, including but not limited to donated goods, as part of the senior citizen organization's fund-raising efforts for the operation of its multipurpose senior citizen center and the provision of services and activities for senior citizens; and

(iv) If the establishment sells nondonated goods, its gross annual sales of nondonated goods does not exceed ten percent of its total combined gross annual sales of all goods. [2017 c 301 § 2.]

**Tax preference performance statement—2017 c 301 § 1:** "(1) This section is the tax preference performance statement for the tax preference contained in chapter 301, Laws of 2017. This preference statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief as indicated in RCW 82.32.808(2)(e), to provide tax relief to senior citizen centers that do not qualify for a property tax exemption under current law.

(3) The joint legislative audit and review committee will review the number of senior citizen centers that received the tax preference provided in this act that would not have qualified for a property tax exemption prior to the enactment of this preference. In order to obtain the data necessary to perform the review, the joint legislative audit and review committee may refer to data sources including county assessor property records and property tax information from the department of revenue." [2017 c 301 § 1.]

**84.36.675 Housing for low-income households provided by limited equity cooperatives.** ***(Expires January 1, 2033.)*** (1) The real property owned by a limited equity cooperative that provides owned housing for low-income households is exempt from property taxation if:

(a) The benefit of the exemption inures to the limited equity cooperative and its members;

(b) At least 85 percent of the occupied dwelling units in the limited equity cooperative is occupied by members of the limited equity cooperative determined as of January 1st of each assessment year for which the exemption is claimed;

(c) At least 95 percent of the property for which the exemption is sought is used for dwelling units or other noncommercial uses available for use by the members of the limited equity cooperative; and

(d) The housing was insured, financed, or assisted, in whole or in part, through one or more of the following sources:

(i) A federal or state housing program administered by the department of commerce;

(ii) A federal or state housing program administered by the federal department of housing and urban development;

(iii) A federal housing program administered by a city or county government;

(iv) An affordable housing levy authorized under RCW 84.52.105;

(v) The surcharges authorized by RCW 36.22.178 and 36.22.179 and any of the surcharges authorized in chapter 43.185C RCW; or

(vi) The Washington state housing finance commission.

(2) If less than 100 percent of the dwelling units within the limited equity cooperative is occupied by low-income households, the limited equity cooperative is eligible for a partial exemption on the real property. The amount of exemption must be calculated by multiplying the assessed value of the property owned by the limited equity cooperative by a fraction. The numerator of the fraction is the number of dwelling units occupied by low-income households as of January 1st of each assessment year for which the exemption is claimed, and the denominator of the fraction is the total number of dwelling units as of such date.

(3) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Cooperative" has the meaning provided in RCW 64.90.010.

(b)(i) "Limited equity cooperative" means a cooperative subject to the Washington uniform common interest ownership act under chapter 64.90 RCW that owns the real property for which an exemption is sought under this section and for which, following the completion of the development or redevelopment of such real property:

(A) Members are prevented from selling their ownership interests other than to a median-income household; and

(B) Members are prevented from selling their ownership interests for a sales price that exceeds the sum of:

(I) The sales price they paid for their ownership interest;

(II) The cost of permanent improvements they made to the dwelling unit during their ownership;

(III) Any special assessments they paid to the limited equity cooperative during their ownership to the extent utilized to make permanent improvements to the building or buildings in which the dwelling units are located; and

(IV) A three percent annual noncompounded return on the above amounts.

(ii) For the purposes of this subsection (3)(b), "sales price" is the total consideration paid or contracted to be paid to the seller or to another for the seller's benefit.

(c) "Low-income household" means a single person, family, or unrelated persons living together whose income is at or below 80 percent of the median income adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the housing is located and in effect as of January 1st of the year in which the determination is to be made as to whether the single person, family, or unrelated persons living together qualify as a low-income household.

(d) "Median-income household" means a single person, family, or unrelated persons living together whose income is at or below 100 percent of the median income adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the housing is located and in effect as of January 1st of the year in which the determination is to be made as to whether the single person, family, or unrelated persons living together qualify as a median-income household.

(e) "Members" of a limited equity cooperative means individuals or entities that have an ownership interest in the limited equity cooperative that entitles them to occupy and sell a dwelling unit in the limited equity cooperative. [2022 c 93 § 2.]

**Tax preference performance statement—2022 c 93 § 2:** "(1) This section is the tax preference performance statement for the tax preference contained in section 2, chapter 93, Laws of 2022. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals, as indicated in RCW 82.32.808(2)(e).

(3) It is the legislature's specific public policy objective to financially incentivize the formation and utilization of limited equity cooperatives, and to increase the availability of housing available to low-income households. It is the legislature's intent to exempt from taxation any real property owned by a limited equity cooperative when a majority of the property is used and occupied by low-income households.

(4)(a) To measure the effectiveness of the tax preference provided in section 2 of this act in achieving the specific public policy objectives described in subsection (3) of this section, the joint legislative audit and review committee must evaluate, two years prior to the expiration of the tax preference: (i) Growth in the formation and utilization of limited equity cooperatives; (ii) growth in available units of affordable housing within limited equity cooperatives; and (iii) any other metric the joint legislative audit and review committee determines is relevant to measuring success of this exemption.

(b) If the review by the joint legislative audit and review committee finds that growth in the formation and utilization of limited equity cooperatives or growth in available units of affordable housing within limited equity cooperatives has occurred, then the legislature intends to extend the expiration date of the tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to:

(a) Initial applications for the preference as approved by the department of revenue under RCW 84.36.815;

(b) Annual financial statements for a limited equity cooperative claiming this tax preference; and

(c) Any other data necessary for the evaluation under subsection (4) of this section." [2022 c 93 § 1.]

**Expiration date—2022 c 93 §§ 2-6:** "Sections 2 through 6 of this act expire January 1, 2033." [2022 c 93 § 8.]

**Application—2022 c 93:** "This act applies to taxes levied for collection in 2023 through 2032." [2022 c 93 § 7.]

## GENERAL PROVISIONS

**84.36.800 Definitions.** ***(Effective until January 1, 2033.)*** As used in this chapter:

(1) "Church purposes" means the use of real and personal property owned by a nonprofit religious organization for religious worship or related administrative, educational, eleemosynary, and social activities. This definition is to be broadly construed;

(2) "Convent" means a house or set of buildings occupied by a community of clergy or nuns devoted to religious life under a superior;

(3) "Hospital" means any portion of a hospital building, or other buildings in connection therewith, used as a residence for persons engaged or employed in the operation of a hospital, or operated as a portion of the hospital unit;

(4)(a) "Nonprofit" means an organization, association or corporation no part of the income of which is paid directly or indirectly to its members, stockholders, officers, directors or trustees except in the form of services rendered by the organization, association, or corporation in accordance with its purposes and bylaws and the salary or compensation paid to officers of such organization, association or corporation is for actual services rendered and compares to the salary or compensation of like positions within the public services of the state;

(b) "Nonprofit" also means a limited equity cooperative as defined in RCW 84.36.675;

(5) "Parsonage" means a residence occupied by a member of the clergy who has been designated for a particular congregation and who holds regular services therefor. [2022 c 93 § 3; 1998 c 311 § 24; 1998 c 202 § 2. Prior: 1997 c 156 § 7; 1997 c 143 § 2; 1994 c 124 § 18; 1993 c 79 § 2; 1989 c 379 § 3; 1981 c 141 § 3; 1973 2nd ex.s. c 40 § 6.]

**Expiration date—2022 c 93 §§ 2-6:** See note following RCW 84.36.675.

**Application—2022 c 93:** See note following RCW 84.36.675.

Additional notes found at www.leg.wa.gov

**84.36.800 Definitions.** ***(Effective January 1, 2033.)*** As used in this chapter:

(1) "Church purposes" means the use of real and personal property owned by a nonprofit religious organization for religious worship or related administrative, educational, eleemosynary, and social activities. This definition is to be broadly construed;

(2) "Convent" means a house or set of buildings occupied by a community of clergy or nuns devoted to religious life under a superior;

(3) "Hospital" means any portion of a hospital building, or other buildings in connection therewith, used as a residence for persons engaged or employed in the operation of a hospital, or operated as a portion of the hospital unit;

(4) "Nonprofit" means an organization, association or corporation no part of the income of which is paid directly or indirectly to its members, stockholders, officers, directors or trustees except in the form of services rendered by the organization, association, or corporation in accordance with its purposes and bylaws and the salary or compensation paid to officers of such organization, association or corporation is for actual services rendered and compares to the salary or compensation of like positions within the public services of the state;

(5) "Parsonage" means a residence occupied by a member of the clergy who has been designated for a particular congregation and who holds regular services therefor. [1998 c 311 § 24; 1998 c 202 § 2. Prior: 1997 c 156 § 7; 1997 c 143 § 2; 1994 c 124 § 18; 1993 c 79 § 2; 1989 c 379 § 3; 1981 c 141 § 3; 1973 2nd ex.s. c 40 § 6.]

Additional notes found at www.leg.wa.gov

**84.36.805 Conditions for obtaining exemptions by nonprofit organizations, associations, or corporations.** ***(Effective until January 1, 2033.)*** (1) In order to qualify for an exemption under this chapter, the nonprofit organizations, associations, or corporations must satisfy the conditions in this section.

(2) The property must be used exclusively for the actual operation of the activity for which exemption is granted, unless otherwise provided, and does not exceed an amount reasonably necessary for that purpose. Notwithstanding anything to the contrary in this section:

(a) The loan or rental of the property does not subject the property to tax if:

(i) The rents and donations received for the use of the portion of the property are reasonable and do not exceed the maintenance and operation expenses attributable to the portion of the property loaned or rented; and

(ii) Except for the exemptions under RCW 84.36.030(4), 84.36.037, 84.36.050, and 84.36.060(1) (a) and (b), the property would be exempt from tax if owned by the organization to which it is loaned or rented;

(b) The use of the property for fund-raising events does not subject the property to tax if the fund-raising events are consistent with the purposes for which the exemption is granted or are conducted by a nonprofit organization. If the property is loaned or rented to conduct a fund-raising event, the requirements of (a) of this subsection (2) apply;

(c) An inadvertent use of the property in a manner inconsistent with the purpose for which exemption is granted does not subject the property to tax, if the inadvertent use is not part of a pattern of use. A pattern of use is presumed when an inadvertent use is repeated in the same assessment year or in two or more successive assessment years.

(3) The facilities and services must be available to all regardless of race, color, national origin or ancestry.

(4) The organization, association, or corporation must be duly licensed or certified where such licensing or certification is required by law or regulation.

(5) Property sold to organizations, associations, or corporations with an option to be repurchased by the seller does not qualify for exempt status. This subsection does not apply to:

(a) Limited equity cooperatives as defined in RCW 84.36.675; or

(b) Property sold to a nonprofit entity, as defined in RCW 84.36.560, by:

(i) A nonprofit as defined in RCW 84.36.800 that is exempt from income tax under 26 U.S.C. Sec. 501(c) of the federal internal revenue code;

(ii) A governmental entity established under RCW 35.21.660, 35.21.670, or 35.21.730;

(iii) A housing authority created under RCW 35.82.030;

(iv) A housing authority meeting the definition in RCW 35.82.210(2)(a); or

(v) A housing authority established under RCW 35.82.300.

(6) The department must have access to its books in order to determine whether the nonprofit organization, association, or corporation is exempt from taxes under this chapter.

(7) This section does not apply to exemptions granted under RCW 84.36.020, 84.36.032, 84.36.250, 84.36.049, and 84.36.480(2).

(8)(a) The use of property exempt under this chapter, other than as specifically authorized by this chapter, nullifies the exemption otherwise available for the property for the assessment year. However, the exemption is not nullified by

the use of the property by any individual, group, or entity, where such use is not otherwise authorized by this chapter, for not more than 50 days in each calendar year, and the property is not used for pecuniary gain or to promote business activities for more than 15 of the 50 days in each calendar year. The 50 and 15-day limitations provided in this subsection (8)(a) do not include days during which setup and takedown activities take place immediately preceding or following a meeting or other event by an individual, group, or entity using the property as provided in this subsection (8)(a).

(b) If uses of the exempt property exceed the 50 and 15-day limitations provided in (a) of this subsection (8) during an assessment year, the exemption is removed for the affected portion of the property for that assessment year.

(c) The 15-day and 50-day limitations provided in (a) of this subsection (8) do not apply to property exempt under RCW 84.36.037 if the property is used for activities related to a qualifying farmers market, as defined in RCW 66.24.170, and all income received from rental or use of the exempt property is used for capital improvements to the exempt property, maintenance and operation of the exempt property, or exempt purposes. Exempt property under RCW 84.36.037 may be used for up to 53 days for the purposes of a qualifying farmers market. [2022 c 93 § 4; 2022 c 84 § 2; 2016 c 217 § 3; 2014 c 99 § 13; 2013 c 212 § 3. Prior: 2006 c 319 § 1; 2006 c 226 § 3; 2003 c 121 § 2; 2001 1st sp.s. c 7 § 2; prior: 1999 c 203 § 2; 1999 c 139 § 3; prior: 1998 c 311 § 25; 1998 c 202 § 3; 1998 c 184 § 2; prior: 1997 c 156 § 8; 1997 c 143 § 3; 1995 2nd sp.s. c 9 § 2; 1993 c 79 § 3; prior: 1990 c 283 §§ 3 and 7; 1989 c 379 § 4; 1987 c 468 § 1; 1984 c 220 § 7; 1981 c 141 § 4; 1973 2nd ex.s. c 40 § 7.]

**Reviser's note:** This section was amended by 2022 c 84 § 2 and by 2022 c 93 § 4, each without reference to the other. Both amendments are incorporated in the publication of this section under RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

**Expiration date—2022 c 93 §§ 2-6:** See note following RCW 84.36.675.

**Application—2022 c 93:** See note following RCW 84.36.675.

**Retroactive application—Tax preference performance statement exemption—Automatic expiration date exemption—2022 c 84:** See notes following RCW 84.36.020.

**Tax preference performance statement—Application—2016 c 217:** See notes following RCW 84.36.049.

**Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99:** See notes following RCW 84.36.020.

**Findings—Intent—2013 c 212:** See note following RCW 84.36.480.

**Findings—Intent—2006 c 226:** See note following RCW 84.36.050.

Additional notes found at www.leg.wa.gov

**84.36.805 Conditions for obtaining exemptions by nonprofit organizations, associations, or corporations.** ***(Effective January 1, 2033.)*** (1) In order to qualify for an exemption under this chapter, the nonprofit organizations, associations, or corporations must satisfy the conditions in this section.

(2) The property must be used exclusively for the actual operation of the activity for which exemption is granted, unless otherwise provided, and does not exceed an amount reasonably necessary for that purpose. Notwithstanding anything to the contrary in this section:

(a) The loan or rental of the property does not subject the property to tax if:

(i) The rents and donations received for the use of the portion of the property are reasonable and do not exceed the maintenance and operation expenses attributable to the portion of the property loaned or rented; and

(ii) Except for the exemptions under RCW 84.36.030(4), 84.36.037, 84.36.050, and 84.36.060(1) (a) and (b), the property would be exempt from tax if owned by the organization to which it is loaned or rented;

(b) The use of the property for fund-raising events does not subject the property to tax if the fund-raising events are consistent with the purposes for which the exemption is granted or are conducted by a nonprofit organization. If the property is loaned or rented to conduct a fund-raising event, the requirements of (a) of this subsection (2) apply;

(c) An inadvertent use of the property in a manner inconsistent with the purpose for which exemption is granted does not subject the property to tax, if the inadvertent use is not part of a pattern of use. A pattern of use is presumed when an inadvertent use is repeated in the same assessment year or in two or more successive assessment years.

(3) The facilities and services must be available to all regardless of race, color, national origin or ancestry.

(4) The organization, association, or corporation must be duly licensed or certified where such licensing or certification is required by law or regulation.

(5) Property sold to organizations, associations, or corporations with an option to be repurchased by the seller does not qualify for exempt status. This subsection does not apply to property sold to a nonprofit entity, as defined in RCW 84.36.560(7), by:

(a) A nonprofit as defined in RCW 84.36.800 that is exempt from income tax under 26 U.S.C. Sec. 501(c) of the federal internal revenue code;

(b) A governmental entity established under RCW 35.21.660, 35.21.670, or 35.21.730;

(c) A housing authority created under RCW 35.82.030;

(d) A housing authority meeting the definition in RCW 35.82.210(2)(a); or

(e) A housing authority established under RCW 35.82.300.

(6) The department must have access to its books in order to determine whether the nonprofit organization, association, or corporation is exempt from taxes under this chapter.

(7) This section does not apply to exemptions granted under RCW 84.36.020, 84.36.032, 84.36.250, 84.36.049, and 84.36.480(2).

(8)(a) The use of property exempt under this chapter, other than as specifically authorized by this chapter, nullifies the exemption otherwise available for the property for the assessment year. However, the exemption is not nullified by the use of the property by any individual, group, or entity, where such use is not otherwise authorized by this chapter, for not more than fifty days in each calendar year, and the property is not used for pecuniary gain or to promote business activities for more than fifteen of the fifty days in each calendar year. The fifty and fifteen-day limitations provided in this subsection (8)(a) do not include days during which setup and takedown activities take place immediately preceding or following a meeting or other event by an individual, group, or entity using the property as provided in this subsection (8)(a).

(b) If uses of the exempt property exceed the fifty and fifteen-day limitations provided in (a) of this subsection (8) during an assessment year, the exemption is removed for the affected portion of the property for that assessment year.

(c) The 15-day and 50-day limitations provided in (a) of this subsection (8) do not apply to property exempt under RCW 84.36.037 if the property is used for activities related to a qualifying farmers market, as defined in RCW 66.24.170, and all income received from rental or use of the exempt property is used for capital improvements to the exempt property, maintenance and operation of the exempt property, or exempt purposes. Exempt property under RCW 84.36.037 may be used for up to 53 days for the purposes of a qualifying farmers market. [2022 c 84 § 2; 2016 c 217 § 3; 2014 c 99 § 13; 2013 c 212 § 3. Prior: 2006 c 319 § 1; 2006 c 226 § 3; 2003 c 121 § 2; 2001 1st sp.s. c 7 § 2; prior: 1999 c 203 § 2; 1999 c 139 § 3; prior: 1998 c 311 § 25; 1998 c 202 § 3; 1998 c 184 § 2; prior: 1997 c 156 § 8; 1997 c 143 § 3; 1995 2nd sp.s. c 9 § 2; 1993 c 79 § 3; prior: 1990 c 283 §§ 3 and 7; 1989 c 379 § 4; 1987 c 468 § 1; 1984 c 220 § 7; 1981 c 141 § 4; 1973 2nd ex.s. c 40 § 7.]

**Retroactive application—Tax preference performance statement exemption—Automatic expiration date exemption—2022 c 84:** See notes following RCW 84.36.020.

**Tax preference performance statement—Application—2016 c 217:** See notes following RCW 84.36.049.

**Findings—Intent—Tax preference performance statement—Does not apply—2014 c 99:** See notes following RCW 84.36.020.

**Findings—Intent—2013 c 212:** See note following RCW 84.36.480.

**Findings—Intent—2006 c 226:** See note following RCW 84.36.050.

Additional notes found at www.leg.wa.gov

**84.36.810 Cessation of use under which exemption granted—Collection of taxes.** ***(Effective until January 1, 2033.)*** (1)(a) Upon cessation of a use under which an exemption has been granted pursuant to RCW 84.36.030, 84.36.037, 84.36.040, 84.36.041, 84.36.042, 84.36.043, 84.36.046, 84.36.050, 84.36.060, 84.36.550, 84.36.560, 84.36.570, 84.36.675, and 84.36.650, except as provided in (b) of this subsection, the county treasurer shall collect all taxes which would have been paid had the property not been exempt during the three years preceding, or the life of such exemption, if such be less, together with the interest at the same rate and computed in the same way as that upon delinquent property taxes. If the property has been granted an exemption for more than 10 consecutive years, taxes and interest shall not be assessed under this section.

(b) Upon cessation of use by an institution of higher education of property exempt under RCW 84.36.050(2) the county treasurer shall collect all taxes which would have been paid had the property not been exempt during the seven years preceding, or the life of the exemption, whichever is less.

(2) Subsection (1) of this section applies only when ownership of the property is transferred or when 51 percent or more of the area of the property loses its exempt status. The additional tax under subsection (1) of this section shall not be imposed if the cessation of use resulted solely from:

(a) Transfer to a nonprofit organization, association, or corporation for a use which also qualifies and is granted exemption under this chapter;

(b) A taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power;

(c) Official action by an agency of the state of Washington or by the county or city within which the property is located which disallows the present use of such property;

(d) A natural disaster such as a flood, windstorm, earthquake, or other such calamity rather than by virtue of the act of the organization, association, or corporation changing the use of such property;

(e) Relocation of the activity and use of another location or site except for undeveloped properties of camp facilities exempted under RCW 84.36.030;

(f) Cancellation of a lease on leased property that had been exempt under this chapter;

(g) A change in the exempt portion of a home for the aging under RCW 84.36.041(3), as long as some portion of the home remains exempt; or

(h) Transfer to an agency of the state of Washington or the city or county within which the property is located.

(3) Subsection (2)(e) and (f) of this section does not apply to property leased to a state institution of higher education and exempt under RCW 84.36.050(2). [2022 c 93 § 5; 2006 c 305 § 4; 2003 c 344 § 2; 2001 c 126 § 3. Prior: 1999 c 203 § 3; 1999 c 139 § 4; prior: 1998 c 311 § 26; 1998 c 202 § 4; prior: 1997 c 156 § 9; 1997 c 143 § 4; 1994 c 124 § 19; 1993 c 79 § 4; 1990 c 283 § 4; 1989 c 379 § 5; 1987 c 468 § 2; 1984 c 220 § 8; 1983 c 185 § 1; 1981 c 141 § 5; 1977 ex.s. c 209 § 1; 1973 2nd ex.s. c 40 § 8.]

**Expiration date—2022 c 93 §§ 2-6:** See note following RCW 84.36.675.

**Application—2022 c 93:** See note following RCW 84.36.675.

Additional notes found at www.leg.wa.gov

**84.36.810 Cessation of use under which exemption granted—Collection of taxes.** ***(Effective January 1, 2033.)*** (1)(a) Upon cessation of a use under which an exemption has been granted pursuant to RCW 84.36.030, 84.36.037, 84.36.040, 84.36.041, 84.36.042, 84.36.043, 84.36.046, 84.36.050, 84.36.060, 84.36.550, 84.36.560, 84.36.570, and 84.36.650, except as provided in (b) of this subsection, the county treasurer shall collect all taxes which would have been paid had the property not been exempt during the three years preceding, or the life of such exemption, if such be less, together with the interest at the same rate and computed in the same way as that upon delinquent property taxes. If the property has been granted an exemption for more than ten consecutive years, taxes and interest shall not be assessed under this section.

(b) Upon cessation of use by an institution of higher education of property exempt under RCW 84.36.050(2) the county treasurer shall collect all taxes which would have been paid had the property not been exempt during the seven years preceding, or the life of the exemption, whichever is less.

(2) Subsection (1) of this section applies only when ownership of the property is transferred or when fifty-one percent or more of the area of the property loses its exempt status. The additional tax under subsection (1) of this section shall not be imposed if the cessation of use resulted solely from:

(a) Transfer to a nonprofit organization, association, or corporation for a use which also qualifies and is granted exemption under this chapter;

(b) A taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power;

(c) Official action by an agency of the state of Washington or by the county or city within which the property is located which disallows the present use of such property;

(d) A natural disaster such as a flood, windstorm, earthquake, or other such calamity rather than by virtue of the act of the organization, association, or corporation changing the use of such property;

(e) Relocation of the activity and use of another location or site except for undeveloped properties of camp facilities exempted under RCW 84.36.030;

(f) Cancellation of a lease on leased property that had been exempt under this chapter;

(g) A change in the exempt portion of a home for the aging under RCW 84.36.041(3), as long as some portion of the home remains exempt; or

(h) Transfer to an agency of the state of Washington or the city or county within which the property is located.

(3) Subsection (2)(e) and (f) of this section do [does] not apply to property leased to a state institution of higher education and exempt under RCW 84.36.050(2). [2006 c 305 § 4; 2003 c 344 § 2; 2001 c 126 § 3. Prior: 1999 c 203 § 3; 1999 c 139 § 4; prior: 1998 c 311 § 26; 1998 c 202 § 4; prior: 1997 c 156 § 9; 1997 c 143 § 4; 1994 c 124 § 19; 1993 c 79 § 4; 1990 c 283 § 4; 1989 c 379 § 5; 1987 c 468 § 2; 1984 c 220 § 8; 1983 c 185 § 1; 1981 c 141 § 5; 1977 ex.s. c 209 § 1; 1973 2nd ex.s. c 40 § 8.]

Additional notes found at www.leg.wa.gov

**84.36.812 Additional tax payable at time of sale—Appeal of assessed values.** All additional taxes imposed under RCW 84.36.262 or 84.36.810 shall become due and payable by the seller or transferor at the time of sale. The county auditor shall not accept an instrument of conveyance unless the additional tax has been paid or the department of revenue has determined that the property is not subject to RCW 84.36.262 or 84.36.810. The seller, the transferor, or the new owner may appeal the assessed values upon which the additional tax is based to the county board of equalization in accordance with the provisions of RCW 84.40.038. [2001 c 185 § 9; 1984 c 220 § 9.]

Additional notes found at www.leg.wa.gov

**84.36.813 Change in use—Duty to notify county assessor—Examination—Recommendation.** An exempt property owner shall notify the department of revenue of any change of use prior to each assessment year. Any other person believing that a change in the use of exempt property has occurred shall report same to the county assessor, who shall examine the property and if the use is not in compliance with chapter 84.36 RCW he or she shall report the information to the department with a recommendation that the exempt status be canceled. The final determination shall be made by the department. [2013 c 23 § 351; 1977 ex.s. c 209 § 3.]

**84.36.815 Tax exempt status—Initial application—Renewal.** ***(Effective until January 1, 2033.)*** (1) In order to qualify for exempt status for any real or personal property under this chapter except personal property under RCW 84.36.600, all foreign national governments; cemeteries; nongovernmental nonprofit corporations, organizations, and associations; hospitals owned and operated by a public hospital district for purposes of exemption under RCW 84.36.040(2); and soil and water conservation districts must file an initial application on or before March 31st with the state department of revenue. However, the initial application deadline for the exemption provided in RCW 84.36.049 is July 1st for 2016 and March 31st for 2017 and thereafter. All applications must be filed on forms prescribed by the department and must be signed by an authorized agent of the applicant.

(2)(a) In order to requalify for exempt status, all applicants except nonprofit cemeteries and nonprofits receiving the exemption under RCW 84.36.049 and nonprofits receiving the exemptions under RCW 84.36.560 or 84.36.675 must file an annual renewal declaration on or before March 31st each year. The renewal declaration must be on forms prescribed by the department of revenue and must contain a statement certifying the exempt status of the real or personal property owned by the exempt organization. This renewal declaration may be submitted electronically in a format provided or approved by the department. Information may also be required with the renewal declaration to assist the department in determining whether the property tax exemption should continue.

(b) In order to requalify for exempt status, nonprofits receiving the exemptions under RCW 84.36.560 or 84.36.675 must file a renewal declaration on or before March 31st of every third year following initial qualification for the exemption. Except for the annual renewal requirement, all other requirements of (a) of this subsection apply.

(3) When an organization acquires real property qualified for exemption or converts real property to exempt status, the organization must file an initial application for the property within sixty days following the acquisition or conversion in accordance with all applicable provisions of subsection (1) of this section. If the application is filed after the expiration of the 60-day period, a late filing penalty is imposed under RCW 84.36.825.

(4) When organizations acquire real property qualified for exemption or convert real property to an exempt use, the property, upon approval of the application for exemption, is entitled to a property tax exemption for property taxes due and payable the following year. If the owner has paid taxes for the year following the year the property qualified for exemption, the owner is entitled to a refund of the amount paid on the property so acquired or converted.

(5) The department must share approved initial applications for the tax preferences provided in RCW 84.36.049 and 84.36.675 with the joint legislative audit and review committee, upon request by the committee, in order for the committee to complete its review of the tax preferences provided in RCW 84.36.049 and 84.36.675. [2022 c 93 § 6; 2020 c 273 § 2; 2016 c 217 § 4; 2007 c 111 § 301; 2001 c 126 § 4; 1998 c 311 § 27; 1994 c 123 § 1; 1991 sp.s. c 29 § 6; 1988 c 131 § 1;

1984 c 220 § 10; 1975 1st ex.s. c 291 § 18; 1973 2nd ex.s. c 40 § 9.]

**Expiration date—2022 c 93 §§ 2-6:** See note following RCW 84.36.675.

**Application—2022 c 93:** See note following RCW 84.36.675.

**Automatic expiration date and tax preference performance statement exemption—2020 c 273:** See note following RCW 84.36.560.

**Tax preference performance statement—Application—2016 c 217:** See notes following RCW 84.36.049.

**Findings, intent—Severability—Application—1991 sp.s. c 29:** See notes following RCW 84.04.150.

Additional notes found at www.leg.wa.gov

**84.36.815 Tax exempt status—Initial application—Renewal.** ***(Effective January 1, 2033.)*** (1) In order to qualify for exempt status for any real or personal property under this chapter except personal property under RCW 84.36.600, all foreign national governments; cemeteries; nongovernmental nonprofit corporations, organizations, and associations; hospitals owned and operated by a public hospital district for purposes of exemption under RCW 84.36.040(2); and soil and water conservation districts must file an initial application on or before March 31st with the state department of revenue. However, the initial application deadline for the exemption provided in RCW 84.36.049 is July 1st for 2016 and March 31st for 2017 and thereafter. All applications must be filed on forms prescribed by the department and must be signed by an authorized agent of the applicant.

(2)(a) In order to requalify for exempt status, all applicants except nonprofit cemeteries and nonprofits receiving the exemption under RCW 84.36.049 and nonprofits receiving the exemption under RCW 84.36.560 must file an annual renewal declaration on or before March 31st each year. The renewal declaration must be on forms prescribed by the department of revenue and must contain a statement certifying the exempt status of the real or personal property owned by the exempt organization. This renewal declaration may be submitted electronically in a format provided or approved by the department. Information may also be required with the renewal declaration to assist the department in determining whether the property tax exemption should continue.

(b) In order to requalify for exempt status, nonprofits receiving the exemption under RCW 84.36.560 must file a renewal declaration on or before March 31st of every third year following initial qualification for the exemption. Except for the annual renewal requirement, all other requirements of (a) of this subsection apply.

(3) When an organization acquires real property qualified for exemption or converts real property to exempt status, the organization must file an initial application for the property within sixty days following the acquisition or conversion in accordance with all applicable provisions of subsection (1) of this section. If the application is filed after the expiration of the sixty-day period, a late filing penalty is imposed under RCW 84.36.825.

(4) When organizations acquire real property qualified for exemption or convert real property to an exempt use, the property, upon approval of the application for exemption, is entitled to a property tax exemption for property taxes due and payable the following year. If the owner has paid taxes for the year following the year the property qualified for exemption, the owner is entitled to a refund of the amount paid on the property so acquired or converted.

(5) The department must share approved initial applications for the tax preference provided in RCW 84.36.049 with the joint legislative audit and review committee, upon request by the committee, in order for the committee to complete its review of the tax preference provided in RCW 84.36.049. [2020 c 273 § 2; 2016 c 217 § 4; 2007 c 111 § 301; 2001 c 126 § 4; 1998 c 311 § 27; 1994 c 123 § 1; 1991 sp.s. c 29 § 6; 1988 c 131 § 1; 1984 c 220 § 10; 1975 1st ex.s. c 291 § 18; 1973 2nd ex.s. c 40 § 9.]

**Automatic expiration date and tax preference performance statement exemption—2020 c 273:** See note following RCW 84.36.560.

**Tax preference performance statement—Application—2016 c 217:** See notes following RCW 84.36.049.

**Findings, intent—Severability—Application—1991 sp.s. c 29:** See notes following RCW 84.04.150.

Additional notes found at www.leg.wa.gov

**84.36.820 Renewal notice for exempt property—Failure to file before due date, effect.** On or before January 1st of each year, the department of revenue must notify the owners of record of property exempted from property taxation at their last known address about the obligation to file an annual renewal declaration for continued exemption. When a continued exemption is not approved, the department must notify the assessor of the county in which the property is located who, in turn, must remove the tax exemption from the property. The failure to file an annual renewal declaration for continued exemption and subsequent removal of the exemption is not subject to review as provided in RCW 84.36.850. The department of revenue must review applications received after the due date required under RCW 84.36.815, but these applications are subject to late filing penalties provided in RCW 84.36.825. [2016 c 217 § 5; 2007 c 111 § 302; 1984 c 220 § 11; 1975-'76 2nd ex.s. c 127 § 1; 1973 2nd ex.s. c 40 § 10.]

**Tax preference performance statement—Application—2016 c 217:** See notes following RCW 84.36.049.

Additional notes found at www.leg.wa.gov

**84.36.825 Late filing penalty.** A late filing penalty of ten dollars per month for each month an application or annual renewal declaration is past due shall be required and shall be deposited in the general fund. [2007 c 111 § 303; 1998 c 311 § 28; 1994 c 123 § 2; 1977 ex.s. c 209 § 2; 1975-'76 2nd ex.s. c 127 § 2; 1975 1st ex.s. c 291 § 19; 1973 2nd ex.s. c 40 § 11.]

Additional notes found at www.leg.wa.gov

**84.36.830 Review of applications for exemption—Procedure—Approval or denial—Notice.** (1) The department of revenue shall review each application for exemption and approve or deny the application before August 1st of the assessment year for which the application is made. However, exemption applications received after March 31st shall be reviewed and determination made thereon within thirty days of the date received or by August 1st, whichever is later.

(2) The department may request additional relevant information as it deems necessary. The department may also physically inspect the property and satisfy itself as to the use of all parcels before approving or denying the application.

After approving an application, the department may also physically inspect the property at regular intervals to ensure compliance with this chapter.

(3) When the department has examined the application and, if applicable, the subject property, it shall either approve or deny the request and clearly state the reasons for denial in written notification by mail to the applicant. The department shall also notify the assessor of the county in which the property is located. The county assessor shall place the property on the assessment roll for the current year. [2007 c 111 § 304; 1998 c 310 § 1; 1984 c 220 § 12; 1975-'76 2nd ex.s. c 127 § 3; 1973 2nd ex.s. c 40 § 12.]

Additional notes found at www.leg.wa.gov

**84.36.833 Application for exemption or renewal may include all contiguous exempt property.** Each application for property tax exemption, or renewal thereof, may include all the real and personal property eligible for exempt status under any of the sections of chapter 84.36 RCW which are contiguous and part of a homogenous unit. Properties separated by public streets and roads shall be considered to be contiguous for purposes of this section. [1975-'76 2nd ex.s. c 127 § 4.]

**84.36.835 List of exempt properties to be prepared and furnished each county assessor.** On or before August 31st, the department of revenue shall prepare a list by county of those properties exempted by the department under this chapter and shall forward a list to each county assessor of the property exempt in that county. [1998 c 311 § 29; 1973 2nd ex.s. c 40 § 13.]

**84.36.840 Statements—Reports—Information—Filing—Requirements.** (1) In order to determine whether organizations, associations, corporations, or institutions, except those exempted under RCW 84.36.020, 84.36.049, and 84.36.030, are exempt from property taxes, and before the exemption is allowed for any year, the superintendent or manager or other proper officer of the organization, association, corporation, or institution claiming exemption from taxation must file with the department of revenue a statement certifying that the income and the receipts thereof, including donations to it, have been applied to the actual expenses of operating and maintaining it, or for its capital expenditures, and to no other purpose. This report must also include a statement of the receipts and disbursements of the exempt organization, association, corporation, or institution.

(2) The reports required under this section may be submitted electronically, in a format provided or approved by the department, or mailed to the department. The reports must be submitted on or before March 31st of each year. The department must remove the tax exemption from the property of any organization, association, corporation, or institution that does not file the required report with the department on or before the due date. However, the department must allow a reasonable extension of time for filing upon receipt of a written request on or before the required filing date and for good cause shown therein. [2020 c 139 § 49; 2016 c 217 § 6; 2007 c 111 § 305; 1973 2nd ex.s. c 40 § 14.]

**Tax preference performance statement—Application—2016 c 217:** See notes following RCW 84.36.049.

Additional notes found at www.leg.wa.gov

**84.36.845 Revocation of exemption approved or renewed due to inaccurate information.** If subsequent to the time that the exemption of any property is initially approved or renewed, it is determined that such exemption was approved or renewed as the result of inaccurate information provided by the authorized agent of the applicant, the exemption must be revoked and taxes must be levied against such property pursuant to the provisions of RCW 84.36.810 or 84.36.049(4) for exemptions granted under RCW 84.36.049. [2016 c 217 § 7; 1973 2nd ex.s. c 40 § 15.]

**Tax preference performance statement—Application—2016 c 217:** See notes following RCW 84.36.049.

**84.36.850 Review—Appeals.** Any applicant aggrieved by the department of revenue's denial of an exemption application may petition the state board of tax appeals to review an application for either real or personal property tax exemption and the board shall consider any appeals to determine (1) if the property is entitled to an exemption, and (2) the amount or portion thereof.

A county assessor of the county in which the exempted property is located shall be empowered to appeal to the state board of tax appeals to review any real or personal property tax exemption approved by the department of revenue which he or she feels is not warranted.

Appeals from a department of revenue decision must be made within thirty days after the mailing of the approval or denial. [2013 c 23 § 352; 1989 c 378 § 13; 1973 2nd ex.s. c 40 § 16.]

Additional notes found at www.leg.wa.gov

**84.36.855 Property changing from exempt to taxable status—Procedure.** Except as otherwise provided by law, property that changes from exempt to taxable status is subject to the provisions of RCW 84.36.810 and 84.40.350 through 84.40.390, and the assessor must also place the property on the assessment roll for taxes due and payable in the following year. [2016 c 217 § 8; 1973 2nd ex.s. c 40 § 17.]

**Tax preference performance statement—Application—2016 c 217:** See notes following RCW 84.36.049.

**84.36.860 Public notice of provisions of act.** Each county assessor and the director of the department of revenue shall each issue public notice of the provisions of chapter 40, Laws of 1973 2nd ex. sess. in such a manner as will give constructive notice to all taxpayers of that county or of the state, as the case may be, prior to the first year in which an application for exemption is required by RCW 84.36.815 through 84.36.845. [1973 2nd ex.s. c 40 § 18.]

**84.36.865 Rules and regulations.** The department of revenue of the state of Washington shall make such rules and regulations consistent with chapter 34.05 RCW and the provisions of this chapter as shall be necessary or desirable to permit its effective administration. [1975 1st ex.s. c 291 § 20; 1973 2nd ex.s. c 40 § 19.]

Additional notes found at www.leg.wa.gov

**84.36.905 Effective date—Construction—1973 2nd ex.s. c 40.** This 1973 amendatory act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, shall take effect immediately and shall be effective for assessment in 1973 for taxes due and payable in 1974. [1973 2nd ex.s. c 40 § 23.]

## Chapter 84.37 RCW
## PROPERTY TAX DEFERRAL PROGRAM

Sections



**84.37.010 Findings—Intent.** (1) The legislature finds that there are an increasing number of economic and financial pressures causing hardships to many homeowners in the state of Washington. The legislature finds that the current housing crisis is a key barometer of the insecure economic situation facing working Washington families. The legislature finds that, among those hardships, increases in property taxes lead to undue stress on family budgets causing some homeowners to be at risk of losing their homes. The legislature finds that financial practices nationwide have led to an increasingly destabilized housing market across the country with impacts now being felt here in Washington. The legislature further finds that by establishing a property tax deferral program homeowners will be able to remain in their homes. The legislature further finds that acting now to stabilize the housing market is an important public purpose.

(2) It is the intent of the legislature to: (a) Provide a property tax safe harbor for families in economic crisis; and (b) prevent existing homeowners from being driven from their homes because of overly burdensome property taxes. [2007 sp.s. c 2 § 1.]

**84.37.020 Definitions.** The definitions in RCW 84.38.020 apply to this chapter. For purposes of this chapter, references to "this chapter" in any of the definitions in RCW 84.38.020 shall be interpreted to refer to chapter 84.37 RCW, unless the context clearly requires otherwise. [2007 sp.s. c 2 § 3.]

**84.37.030 Deferral program qualifications.** A claimant may defer payment of fifty percent of special assessments or real property taxes, or both, listed on the annual tax statement in any year in which all of the following conditions are met:

(1) The special assessments or property taxes must be imposed upon a residence that was occupied by the claimant as a principal place of residence as of January 1st of the year in which the assessments and taxes are due, subject to the exceptions allowed under RCW 84.36.381(1);

(2) The claimant must have combined disposable income, as defined in RCW 84.36.383, of fifty-seven thousand dollars or less in the calendar year preceding the filing of the declaration;

(3) The claimant must have paid one-half of the total amount of special assessments and property taxes listed on the annual tax statement for the year in which the deferral claim is made;

(4) A deferral is not allowed for special assessments, property taxes, or both, levied for collection in the first five calendar years in which the person owns the residence;

(5) The claimant who defers payment of special assessments or real property taxes, or both, listed on the annual tax statement under this section must also meet the conditions of RCW 84.38.030 (4) and (5);

(6) The total amount deferred by a claimant under this chapter must not exceed forty percent of the amount of the claimant's equity value in the claimant's residence; and

(7) The claimant may not defer taxes under both this chapter and chapter 84.38 RCW in the same tax year. [2010 c 106 § 309; 2007 sp.s. c 2 § 2.]

Additional notes found at www.leg.wa.gov

**84.37.040 Deferral program administration.** (1) Each claimant electing to defer payment of special assessments or real property tax obligations, or both, under this chapter must file with the county assessor, on forms prescribed by the department and supplied by the assessor, a written declaration thereof. The declaration to defer special assessments and/or real property taxes for any year must be filed no later than the first day of September of the year for which the deferral is sought; however, for good cause shown, the department may waive this requirement.

(2) The declaration must designate the property to which the deferral applies, and must include a statement setting forth (a) a list of all members of the claimant's household, (b) the claimant's equity value in his or her residence, (c) facts establishing the eligibility for the deferral under the provisions of this chapter, and (d) any other relevant information required by the rules of the department. The declaration must be signed by the claimant subject to the penalties as provided in chapter 9A.72 RCW for false swearing.

(3) The county assessor must determine if each claimant is granted a deferral for each year but the claimant has the right to appeal this determination to the county board of equalization, in accordance with the provisions of RCW 84.40.038, whose decision is final as to the deferral of that year. [2020 c 139 § 50; 2007 sp.s. c 2 § 4.]

**84.37.050 Renewals—Requirement to reside on property.** (1) The provisions of RCW 84.38.050(1)(b) apply to declarations to defer special assessments or property taxes, or both, for all years following the first year.

(2) The provisions of RCW 84.38.070 apply to claimants ceasing to reside permanently on the property for which the declaration to defer is made between the date of filing the declaration and December 15th of that year. [2007 sp.s. c 2 § 5.]

**84.37.060 Right to defer not reduced by contract or agreement.** A person's right to defer special assessments or

property tax obligations, or both, under this chapter may not be reduced by contract or agreement. [2007 sp.s. c 2 § 6.]

**84.37.070 State lien on property.** Whenever a person's special assessment or real property tax obligation, or both, is deferred under this chapter, the amount deferred and required to be paid pursuant to RCW 84.38.120 becomes a lien in favor of the state upon his or her property and has priority as provided in chapters 35.49, 35.50, 36.35, and 84.60 RCW. However, the interest of a mortgage or purchase contract holder who requires an accumulation of reserves out of which real estate taxes are paid has priority to said deferred lien. This lien may accumulate up to forty percent of the amount of the claimant's equity value in the property and the rate of interest must be an average of the federal short-term rate as defined in 26 U.S.C. Sec. 1274(d) plus two percentage points. The rate set for each new year is computed by taking an arithmetical average to the nearest percentage point of the federal short-term rate, compounded annually. That average must be calculated using the rates from four months: January, April, and July of the calendar year immediately preceding the new year, and October of the previous preceding year. The interest is calculated from the time it could have been paid before delinquency until such obligation is paid or the date that the obligation is charged off as finally uncollectible. In the case of a mobile home, the department of licensing must show the state's lien on the certificate of title for the mobile home. In the case of all other property, the department of revenue must file a notice of the deferral with the county recorder or auditor. [2013 c 221 § 7; 2010 c 161 § 1167; 2007 sp.s. c 2 § 7.]

**Effective date—Intent—Legislation to reconcile chapter 161, Laws of 2010 and other amendments made during the 2010 legislative session—2010 c 161:** See notes following RCW 46.04.013.

**84.37.080 Conditions under which deferment ends.** Special assessments or real property tax obligations, or both, deferred under this chapter shall become payable together with interest as provided in RCW 84.37.070:

(1) Upon the sale of property which has a deferred special assessment lien or real property tax lien, or both, upon it;

(2) Upon the death of the claimant with an outstanding deferred special assessment lien or real property tax lien, or both, except a surviving spouse or surviving domestic partner who is qualified under this chapter may elect to incur the special assessment lien or real property tax lien, or both, which shall then be payable by that spouse or that domestic partner as provided in this section;

(3) Upon the condemnation of property with a deferred special assessment lien or real property tax lien, or both, upon it by a public or private body exercising eminent domain power, except as otherwise provided in RCW 84.60.070; or

(4) At such time as the claimant ceases to reside permanently in the residence upon which the deferral has been granted. [2008 c 6 § 710; 2007 sp.s. c 2 § 8.]

Additional notes found at www.leg.wa.gov

**84.37.090 Applicable statutory provisions.** The provisions of RCW 84.38.110, 84.38.120, 84.38.140, 84.38.150, 84.38.160, 84.38.170, and 84.38.180 apply to this chapter to the extent that they do not conflict with the provisions of this chapter. For purposes of this chapter, references to "this chapter" in any of the statutes listed in this section shall be interpreted to refer to chapter 84.37 RCW unless the context clearly requires otherwise. [2007 sp.s. c 2 § 9.]

**84.37.901 Application—2007 sp.s. c 2.** This act applies to taxes due and payable after April 30, 2008, and thereafter. [2007 sp.s. c 2 § 12.]

**84.37.903 Effective date—2007 sp.s. c 2.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [November 29, 2007]. [2007 sp.s. c 2 § 14.]

## Chapter 84.38 RCW
## DEFERRAL OF SPECIAL ASSESSMENTS AND/OR PROPERTY TAXES

Sections



**84.38.010 Legislative finding and purpose.** Savings once deemed adequate for retirement living have been rendered inadequate by increased tax rates, increased property values, and the failure of pension systems to adequately reflect such factors. It is therefore deemed necessary that the legislature, in addition to that tax exemption as provided for in RCW 84.36.381 through 84.36.389 as now or hereafter amended, allow retired persons to defer payment of special assessments on their residences, and to defer their real property tax obligations on their residences, an amount of up to eighty percent of their equity in said property. This deferral program is intended to assist retired persons in maintaining their dignity and a reasonable standard of living by residing in their own homes, providing for their own needs, and managing their own affairs without requiring assistance from public welfare programs. [1975 1st ex.s. c 291 § 26.]

**84.38.020 Definitions.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1)(a) "Claimant" means a person who either elects or is required under RCW 84.64.050 to defer payment of the spe-

cial assessments and/or real property taxes accrued on the claimant's residence by filing a declaration to defer as provided by this chapter.

(b) When two or more individuals of a household file or seek to file a declaration to defer, they may determine between them as to who the claimant is.

(2) "Devisee" has the same meaning as provided in RCW 21.35.005.

(3) "Equity value" means the amount by which the fair market value of a residence as determined from the records of the county assessor exceeds the total amount of any liens or other obligations against the property.

(4) "Heir" has the same meaning as provided in RCW 21.35.005.

(5) "Income threshold" means: (a) For taxes levied for collection in calendar years prior to 2020, a combined disposable income equal to forty-five thousand dollars; and (b) for taxes levied for collection in calendar year 2020 and thereafter, a combined disposable income equal to the greater of the income threshold for the previous year, or seventy-five percent of the county median household income, adjusted every five years beginning August 1, 2019, as provided in RCW 84.36.385(8). Beginning with the adjustment made by March 1, 2024, as provided in RCW 84.36.385(8), and every second adjustment thereafter, if the income threshold in a county is not adjusted based on percentage of county median income as provided in this subsection, then the income threshold must be adjusted based on the growth of the consumer price index for all urban consumers (CPI-U) for the prior twelve-month period as published by the United States bureau of labor statistics. In no case may the adjustment be greater than one percent. The adjusted threshold must be rounded to the nearest one dollar. If the income threshold adjustment is negative, the income threshold for the prior year continues to apply.

(6) "Local government" means any city, town, county, water-sewer district, public utility district, port district, irrigation district, flood control district, or any other municipal corporation, quasi-municipal corporation, or other political subdivision authorized to levy special assessments.

(7) "Real property taxes" means ad valorem property taxes levied on a residence in this state in the preceding calendar year.

(8) "Residence" has the meaning given in RCW 84.36.383.

(9) "Special assessment" means the charge or obligation imposed by a local government upon property specially benefited. [2019 c 453 § 4; 2006 c 62 § 2; 1997 c 93 § 1; 1996 c 230 § 1614; 1995 c 329 § 1; 1991 c 213 § 1; 1984 c 220 § 20; 1979 ex.s. c 214 § 5; 1975 1st ex.s. c 291 § 27.]

**Application—Automatic expiration date and tax preference performance statement exemption—2019 c 453:** See notes following RCW 84.36.381.

Additional notes found at www.leg.wa.gov

**84.38.030 Conditions and qualifications for claiming deferral.** A claimant may defer payment of special assessments and/or real property taxes on up to eighty percent of the amount of the claimant's equity value in the claimant's residence if the following conditions are met:

(1) The claimant must meet all requirements for an exemption for the residence under RCW 84.36.381, other than the age and income limits under RCW 84.36.381.

(2) The claimant must be sixty years of age or older on December 31st of the year in which the deferral claim is filed, or must have been, at the time of filing, retired from regular gainful employment by reason of disability as defined in RCW 84.36.383. However, any surviving spouse, surviving domestic partner, heir, or devisee of a person who was receiving a deferral at the time of the person's death qualifies if the surviving spouse, surviving domestic partner, heir, or devisee is fifty-seven years of age or older and otherwise meets the requirements of this section.

(3) The claimant must have a combined disposable income, as defined in RCW 84.36.383, equal to or less than the income threshold.

(4) The claimant must have owned, at the time of filing, the residence on which the special assessment and/or real property taxes have been imposed. For purposes of this subsection, a residence owned by a marital community, owned by domestic partners, or owned by cotenants is deemed to be owned by each spouse, each domestic partner, or each cotenant. A claimant who has only a share ownership in cooperative housing, a life estate, a lease for life, or a revocable trust does not satisfy the ownership requirement.

(5) The claimant must have and keep in force fire and casualty insurance in sufficient amount to protect the interest of the state in the claimant's equity value. However, if the claimant fails to keep fire and casualty insurance in force to the extent of the state's interest in the claimant's equity value, the amount deferred may not exceed one hundred percent of the claimant's equity value in the land or lot only.

(6) In the case of special assessment deferral, the claimant must have opted for payment of such special assessments on the installment method if such method was available. [2019 c 453 § 5. Prior: 2015 3rd sp.s. c 30 § 3; 2015 c 86 § 313; 2008 c 6 § 702; 2006 c 62 § 3; 2004 c 270 § 3; 1995 c 329 § 2; 1991 c 213 § 2; 1988 c 222 § 11; 1984 c 220 § 21; 1979 ex.s. c 214 § 6; 1975 1st ex.s. c 291 § 28.]

**Application—Automatic expiration date and tax preference performance statement exemption—2019 c 453:** See notes following RCW 84.36.381.

**Tax preference performance statement—Application—2015 3rd sp.s. c 30:** See notes following RCW 84.36.381.

Additional notes found at www.leg.wa.gov

**84.38.040 Declaration to defer special assessments and/or real property taxes—Filing—Contents—Appeal.** (1) Each claimant electing to defer payment of special assessments and/or real property tax obligations under this chapter must file with the county assessor, on forms prescribed by the department and supplied by the assessor, a written declaration thereof. The declaration to defer special assessments and/or real property taxes for any year must be filed no later than thirty days before the tax or assessment is due or thirty days after receiving notice under RCW 84.64.050, whichever is later; however, for good cause shown, the department may waive this requirement.

(2) The declaration must designate the property to which the deferral applies, and must include a statement setting forth (a) a list of all members of the claimant's household, (b)

the claimant's equity value in his or her residence, (c) facts establishing the eligibility for the deferral under the provisions of this chapter, and (d) any other relevant information required by the rules of the department. The declaration must be signed by the claimant subject to the penalties as provided in chapter 9A.72 RCW for false swearing. The first declaration to defer filed in a county must include proof of the claimant's age acceptable to the assessor.

(3) The county assessor must determine if each claimant is granted a deferral for each year but the claimant has the right to appeal this determination to the county board of equalization, in accordance with the provisions of RCW 84.40.038, whose decision is final as to the deferral of that year. [2020 c 139 § 51; 2013 c 23 § 353; 2001 c 185 § 10; 1994 c 301 § 34; 1984 c 220 § 22; 1979 ex.s. c 214 § 7; 1975 1st ex.s. c 291 § 29.]

Additional notes found at www.leg.wa.gov

**84.38.050 Renewal of deferral—Forms—Notice to renew—Limitation upon special assessment deferral amount.** (1)(a) Declarations to defer property taxes for all years following the first year may be made by filing with the county assessor no later than thirty days before the tax is due a renewal form, prescribed by the department of revenue and supplied by the county assessor, which affirms the continued eligibility of the claimant.

(b) In January of each year, the county assessor must send to each claimant who has been granted deferral of ad valorem taxes for the previous year renewal forms and notice to renew.

(2) Declarations to defer special assessments must be made by filing with the assessor no later than thirty days before the special assessment is due on a form to be prescribed by the department of revenue and supplied by the county assessor. Upon approval, the full amount of special assessments upon such claimant's residence must be deferred but not to exceed an amount equal to eighty percent of the claimant's equity value in said property. [2020 c 139 § 52; 1979 ex.s. c 214 § 8; 1975 1st ex.s. c 291 § 30.]

**84.38.060 Declaration of deferral by agent, guardian, etc.** If the claimant is unable to make his or her own declaration of deferral, it may be made by a duly authorized agent or by a guardian or other person charged with care of the person or property of such claimant. [2013 c 23 § 354; 1975 1st ex.s. c 291 § 31.]

**84.38.070 Ceasing to reside permanently on property subject to deferral declaration.** If the claimant declaring his or her intention to defer special assessments or real property tax obligations under this chapter ceases to reside permanently on the property for which the declaration to defer is made between the date of filing the declaration and December 15th of that year, the deferral otherwise allowable under this chapter is not allowed on such tax roll. However, this section does not apply where the claimant dies, leaving a spouse, domestic partner, heir, or devisee surviving, who is also eligible for deferral of special assessment and/or property taxes. [2019 c 453 § 6; 2008 c 6 § 703; 1975 1st ex.s. c 291 § 32.]

**Application—Automatic expiration date and tax preference performance statement exemption—2019 c 453:** See notes following RCW 84.36.381.

Additional notes found at www.leg.wa.gov

**84.38.080 Right to deferral not reduced by contract or agreement.** A person's right to defer special assessments and/or property tax obligations on his or her residence shall not be reduced by contract or agreement, from January 1, 1976 onward. [2013 c 23 § 355; 1975 1st ex.s. c 291 § 33.]

**84.38.090 Procedure where residence under mortgage or purchase contract.** If any residence is under mortgage or purchase contract requiring accumulation of reserves out of which the holder of the mortgage or contract is required to pay real estate taxes, said holder shall cosign the declaration of deferral either before a notary public or the county assessor or his or her deputy in the county where the real property is located. [2013 c 23 § 356; 1975 1st ex.s. c 291 § 34.]

**84.38.100 Lien of state, mortgage or purchase contract holder—Priority—Amount—Interest.** Whenever a person's special assessment and/or real property tax obligation is deferred under the provisions of this chapter, the amount deferred and required to be paid pursuant to RCW 84.38.120 becomes a lien in favor of the state upon his or her property and has priority as provided in chapters 35.49, 35.50, 36.35, and 84.60 RCW. However, the interest of a mortgage or purchase contract holder who is required to cosign a declaration of deferral under RCW 84.38.090, has priority to such deferred lien. This lien may accumulate up to eighty percent of the amount of the claimant's equity value in the property and must bear interest at the rate of five percent per year from the time it could have been paid before delinquency until said obligation is paid. However, when taxes are deferred as provided in RCW 84.64.050, the amount must bear interest at the rate of five percent per year from the date the declaration is filed until the obligation is paid or the date that the obligation is charged off as finally uncollectible. In the case of a mobile home, the department of licensing must show the state's lien on the certificate of title for the mobile home. In the case of all other property, the department of revenue must file a notice of the deferral with the county recorder or auditor. [2013 c 221 § 8; 2010 c 161 § 1168; 2006 c 275 § 1; 2000 c 103 § 26; 1988 c 222 § 12; 1984 c 220 § 23; 1981 c 322 § 1; 1975 1st ex.s. c 291 § 35.]

**Effective date—Intent—Legislation to reconcile chapter 161, Laws of 2010 and other amendments made during the 2010 legislative session—2010 c 161:** See notes following RCW 46.04.013.

**Finding—DOR report to legislature—2006 c 275:** "The legislature finds that the intent of the property tax deferral program is to assist retired persons in maintaining their dignity and a reasonable standard of living by residing in their own homes, providing for their own needs, and managing their own affairs without requiring assistance from public welfare programs. The department of revenue shall review the adequacy and appropriateness of the interest rate provided in RCW 84.38.100 in relation to these objectives. The department shall report its findings to the finance committee of the house of representatives and the ways and means committee of the senate by December 1, 2012." [2006 c 275 § 3.]

Additional notes found at www.leg.wa.gov

**84.38.110 Duties of county assessor.** The county assessor must:

(1) Immediately transmit a copy of each declaration to defer to the department of revenue. The department may audit any declaration and must notify the assessor as soon as possible of any claim where any factor appears to disqualify the claimant for the deferral sought.

(2) Transmit a copy of each declaration to defer a special assessment to the local improvement district which imposed such assessment.

(3) Compute the dollar tax rate for the county as if any deferrals provided by this chapter did not exist.

(4) As soon as possible notify the department of revenue and the county treasurer of the amount of real property taxes deferred for that year and notify the department of revenue and the respective treasurers of municipal corporations of the amount of special assessments deferred for each local improvement district within such unit. [2020 c 139 § 53; 1984 c 220 § 24; 1975 1st ex.s. c 291 § 36.]

**84.38.120 Payments to local improvement or taxing districts.** After receipt of the notification from the county assessor of the amount of deferred special assessments and/or real property taxes the department shall pay, from amounts appropriated for that purpose, to the treasurers of such municipal corporations said amounts, equivalent to the amount of special assessments and/or real property taxes deferred, to be distributed to the local improvement or taxing districts which levied the taxes so deferred: PROVIDED, That when taxes are deferred as provided in RCW 84.64.050, the department shall pay to the treasurer of the county the amount equivalent to all taxes, foreclosure costs, interest, and penalties accrued to the date the declaration to defer is filed. [2000 c 103 § 27; 1988 c 222 § 13; 1984 c 220 § 25; 1975 1st ex.s. c 291 § 37.]

***Reviser's note:** Due to a Senate amendment to House Bill No. 1201 (1984 c 220), "section 23" became "section 25." During enrolling, "section 23" was renumbered as "section 25" under the mandate in the amendment to "renumber the sections consecutively and correct any internal references accordingly," but the internal reference to "section 23" was not changed. "Section 23 of this act" consists of the 1984 c 220 amendment to RCW 84.38.100. "Section 25 of this act" consists of the 1984 c 220 amendment to RCW 84.38.120.

Additional notes found at www.leg.wa.gov

**84.38.130 When deferred assessments or taxes become payable.** Special assessments and/or real property tax obligations deferred under this chapter become payable together with interest as provided in RCW 84.38.100:

(1) Upon the sale of property which has a deferred special assessment and/or real property tax lien upon it.

(2) Upon the death of the claimant with an outstanding deferred special assessment and/or real property tax lien except a surviving spouse, surviving domestic partner, heir, or devisee who is qualified under this chapter may elect to incur the special assessment and/or real property tax lien, which is then payable by that spouse, domestic partner, heir, or devisee as provided in this section.

(3) Upon the condemnation of property with a deferred special assessment and/or real property tax lien upon it by a public or private body exercising eminent domain power, except as otherwise provided in RCW 84.60.070.

(4) At such time as the claimant ceases to reside permanently in the residence upon which the deferral has been granted.

(5) Upon the failure of any condition set forth in RCW 84.38.030. [2019 c 453 § 7; 2008 c 6 § 704; 1984 c 220 § 26; 1975 1st ex.s. c 291 § 38.]

**Application—Automatic expiration date and tax preference performance statement exemption—2019 c 453:** See notes following RCW 84.36.381.

Additional notes found at www.leg.wa.gov

**84.38.140 Collection of deferred assessments or taxes.** (1) The department must collect all the amounts deferred together with interest under this chapter. However, in the event that the department is unable to collect an amount deferred together with interest, that amount deferred together with interest must be collected by the county treasurer in the manner provided for in chapter 84.56 RCW. For purposes of collection of deferred taxes, the provisions of chapters 84.56, 84.60, and 84.64 RCW are applicable.

(2) When any deferred special assessment and/or real property taxes together with interest are collected the moneys must be deposited in the state general fund.

(3) The department may charge off as finally uncollectible any amount deferred under this chapter or chapter 84.37 RCW, including accrued interest, if the department is satisfied that there are no cost-effective means of collecting the amount due. [2013 c 221 § 9; 2001 c 299 § 18; 1984 c 220 § 27; 1975 1st ex.s. c 291 § 39.]

**84.38.150 Election to continue deferral by surviving spouse or surviving domestic partner.** (1) A surviving spouse, surviving domestic partner, heir, or devisee of the claimant may elect to continue the property in its deferred tax status if the property is the residence of the spouse, domestic partner, heir, or devisee of the claimant and the spouse, domestic partner, heir, or devisee meets the requirements of this chapter.

(2) The election under this section to continue the property in its deferred status by the spouse, the domestic partner, heir, or devisee of the claimant must be filed in the same manner as an original claim for deferral is filed under this chapter. Thereupon, the property with respect to which the deferral of special assessments and/or real property taxes is claimed must continue to be treated as deferred property. When the property has been continued in its deferred status by the filing of the spouse, the domestic partner, heir, or devisee of the claimant of an election under this section, the spouse, the domestic partner, heir, or devisee of the claimant may continue the property in its deferred status in subsequent years by filing a claim under this chapter so long as the spouse, domestic partner, heir, or devisee meets the qualifications set out in this section. [2019 c 453 § 8; 2008 c 6 § 705; 1975 1st ex.s. c 291 § 40.]

**Application—Automatic expiration date and tax preference performance statement exemption—2019 c 453:** See notes following RCW 84.36.381.

Additional notes found at www.leg.wa.gov

**84.38.160 Payment of part or all of deferred taxes authorized.** Any person may at any time pay a part or all of

the deferred taxes but such payment shall not affect the deferred tax status of the property. [1975 1st ex.s. c 291 § 41.]

**84.38.170 Collection of personal property taxes not affected.** Nothing in this chapter is intended to or shall be construed to prevent the collection, by foreclosure, of personal property taxes which become a lien against tax-deferred property. [1975 1st ex.s. c 291 § 42.]

**84.38.180 Forms—Rules and regulations.** The department of revenue of the state of Washington shall devise the forms and make rules and regulations consistent with chapter 34.05 RCW and the provisions of this chapter as shall be necessary or desirable to permit its effective administration. [1975 1st ex.s. c 291 § 43.]

**84.38.900 Severability—1975 1st ex.s. c 291.** See note following RCW 82.04.050.

**84.38.910 Effective dates—1975 1st ex.s. c 291.** See note following RCW 82.04.050.

## Chapter 84.39 RCW
## PROPERTY TAX EXEMPTION—WIDOWS OR WIDOWERS OF VETERANS

Sections



**84.39.010 Exemption authorized—Qualifications.** A person is entitled to a property tax exemption in the form of a grant as provided in this chapter. The person is entitled to assistance for the payment of all or a portion of the amount of excess and regular real property taxes imposed on the person's residence in the year in which a claim is filed in accordance with the following:

(1) The claimant must meet all requirements for an exemption for the residence under RCW 84.36.381, other than the income limits under RCW 84.36.381.

(2)(a) The person making the claim must be:

(i) Sixty-two years of age or older on December 31st of the year in which the claim is filed, or must have been, at the time of filing, retired from regular gainful employment by reason of disability; and

(ii) A widow or widower of a veteran who:

(A) Died as a result of a service-connected disability;

(B) Was rated as one hundred percent disabled by the United States veterans' administration for the ten years prior to his or her death;

(C) Was a former prisoner of war as substantiated by the United States veterans' administration and was rated as one hundred percent disabled by the United States veterans' administration for one or more years prior to his or her death; or

(D) Died on active duty or in active training status as a member of the United States uniformed services, reserves, or national guard; and

(b) The person making the claim must not have remarried.

(3) The claimant must have a combined disposable income of forty thousand dollars or less.

(4) The claimant must have owned, at the time of filing, the residence on which the real property taxes have been imposed. For purposes of this subsection, a residence owned by cotenants is deemed to be owned by each cotenant. A claimant who has only a share ownership in cooperative housing, a life estate, a lease for life, or a revocable trust does not satisfy the ownership requirement.

(5) A person who otherwise qualifies under this section is entitled to assistance in an amount equal to regular and excess property taxes imposed on the difference between the value of the residence eligible for exemption under RCW 84.36.381(5) and:

(a) The first one hundred thousand dollars of assessed value of the residence for a person who has a combined disposable income of thirty thousand dollars or less;

(b) The first seventy-five thousand dollars of assessed value of the residence for a person who has a combined disposable income of thirty-five thousand dollars or less but greater than thirty thousand dollars; or

(c) The first fifty thousand dollars of assessed value of the residence for a person who has a combined disposable income of forty thousand dollars or less but greater than thirty-five thousand dollars.

(6) As used in this section:

(a) "Veteran" has the same meaning as provided under RCW 41.04.005.

(b) The meanings attributed in RCW 84.36.383 to the terms "residence," "combined disposable income," "disposable income," and "disability" apply equally to this section. [2015 c 86 § 314; 2005 c 253 § 1.]

Additional notes found at www.leg.wa.gov

**84.39.020 Filing claim for exemption—Requirements.** (1) Each claimant applying for assistance under RCW 84.39.010 must file a claim with the department, on forms prescribed by the department, no later than thirty days before the tax is due. The department may waive this requirement for good cause shown. The department must supply forms to the county assessor to allow persons to apply for the program at the county assessor's office.

(2) The claim must designate the property to which the assistance applies and must include a statement setting forth (a) a list of all members of the claimant's household, (b) facts establishing the eligibility under this section, and (c) any other relevant information required by the rules of the department. The claim must be signed by the claimant subject to the penalties as provided in chapter 9A.72 RCW for false swearing. The first claim must include proof of the claimant's age acceptable to the department.

(3) The following documentation must be filed with a claim along with any other documentation required by the department:

(a) The deceased veteran's DD 214 report of separation, or its equivalent, that must be under honorable conditions;

(b) A copy of the applicant's certificate of marriage to the deceased;

(c) A copy of the deceased veteran's death certificate; and

(d) A letter from the United States veterans' administration certifying that the death of the veteran meets the requirements of RCW 84.39.010(2).

(4) The department of veterans affairs must assist an eligible widow or widower in the preparation and submission of an application and the procurement of necessary substantiating documentation.

(5) The department must determine if each claimant is eligible each year. Any applicant aggrieved by the department's denial of assistance may petition the state board of tax appeals to review the denial and the board must consider any appeals to determine (a) if the claimant is entitled to assistance and (b) the amount or portion thereof. [2020 c 139 § 54; 2005 c 253 § 2.]

Additional notes found at www.leg.wa.gov

**84.39.030 Continued eligibility—Renewal forms.** (1) Claims for assistance for all years following the first year may be made by filing with the department no later than thirty days before the tax is due a renewal form, prescribed by the department, that affirms the continued eligibility of the claimant.

(2) In January of each year, the department must send to each claimant who has been granted assistance for the previous year a renewal form and notice to renew. [2020 c 139 § 55; 2005 c 253 § 3.]

Additional notes found at www.leg.wa.gov

**84.39.040 Agent or guardian filing claim on behalf of claimant.** If the claimant is unable to make his or her own claim, it may be made by a duly authorized agent or by a guardian or other person charged with care of the person or property of the claimant. [2005 c 253 § 4.]

Additional notes found at www.leg.wa.gov

**84.39.050 Failure to reside on property—Repayment.** If the claimant receiving assistance under RCW 84.39.010 ceases to reside permanently on the property for which the claim is made between the date of filing the declaration and December 15th of that year, the amount of assistance otherwise allowable under RCW 84.39.010 shall not be allowed for that portion of the year in which the claimant was not qualified, and that amount shall constitute a lien on the property in favor of the state and shall have priority as provided in chapter 84.60 RCW until repaid to the department. [2005 c 253 § 5.]

Additional notes found at www.leg.wa.gov

**84.39.060 Determination of assistance—Biennial budget request.** (1) The department shall consult with the appropriate county assessors and county treasurers to determine the amount of assistance to which each claimant is eligible and the appropriate method of providing the assistance. The department shall pay, from amounts appropriated for this purpose, to the claimant, the claimant's mortgage company, or the county treasurer, as appropriate for each claimant, the amount of assistance to which the claimant is entitled under RCW 84.39.010.

(2) The department shall request in its biennial budget request an appropriation to satisfy its obligations under this section. [2005 c 253 § 6.]

Additional notes found at www.leg.wa.gov

## Chapter 84.40 RCW
## LISTING OF PROPERTY

Sections

*Qualifications for persons assessing real property—Examination: RCW 36.21.015.*

**84.40.020 Assessment date—Average inventory basis may be used—Public inspection of listing, documents, and records.** All real property in this state subject to taxation shall be listed and assessed every year, with reference to its value on the first day of January of the year in which it is assessed. Such listing and all supporting documents and records shall be open to public inspection during the regular office hours of the assessor's office: PROVIDED, That confidential income data is hereby exempted from public inspection as noted in RCW 42.56.070 and 42.56.210. All personal property in this state subject to taxation shall be listed and assessed every year, with reference to its value and ownership on the first day of January of the year in which it is assessed: PROVIDED, That if the stock of goods, wares, merchandise or material, whether in a raw or finished state or in process of manufacture, owned or held by any taxpayer on January 1 of any year does not fairly represent the average stock carried by such taxpayer, such stock shall be listed and assessed upon the basis of the monthly average of stock owned or held by such taxpayer during the preceding calendar year or during such portion thereof as the taxpayer was engaged in business. [2005 c 274 § 364; 2001 c 187 § 16. Prior: 1997 c 239 § 2; 1997 c 3 § 103 (Referendum Bill No. 47, approved November 4, 1997); 1973 c 69 § 1; 1967 ex.s. c 149 § 35; 1961 c 15 § 84.40.020; prior: (i) 1939 c 137 § 1; 1925 ex.s. c 130 § 8; 1897 c 71 § 6; 1895 c 176 § 3; 1893 c 124 § 6; 1891 c 140 §§ 1, 6; 1890 p 532 § 6; Code 1881 § 2832; 1871 p 40 § 15; 1869 p 180 § 15; 1867 p 62 § 6; 1854 p 332 § 4; RRS § 11112. (ii) 1937 c 122 § 1; 1890 p 532 § 6; RRS § 11112-1.]

Additional notes found at www.leg.wa.gov

**84.40.025 Access to property required.** For the purpose of assessment and valuation of all taxable property in each county, any real or personal property in each county shall be subject to visitation, investigation, examination, discovery, and listing at any reasonable time by the county assessor of the county or by any employee thereof designated for this purpose by the assessor.

In any case of refusal to such access, the assessor shall request assistance from the department of revenue which may invoke the power granted by chapter 84.08 RCW. [1982 1st ex.s. c 46 § 10.]

**84.40.030 Basis of valuation, assessment, appraisal—One hundred percent of true and fair value—Exceptions—Leasehold estates—Real property—Appraisal—Comparable sales.** (1) All property must be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.

(2) Taxable leasehold estates must be valued at such price as they would bring at a fair, voluntary sale for cash without any deductions for any indebtedness owed including rentals to be paid.

(3) The true and fair value of real property for taxation purposes (including property upon which there is a coal or other mine, or stone or other quarry) must be based upon the following criteria:

(a) Any sales of the property being appraised or similar properties with respect to sales made within the past five years. The appraisal must be consistent with the comprehensive land use plan, development regulations under chapter 36.70A RCW, zoning, and any other governmental policies or practices in effect at the time of appraisal that affect the use of property, as well as physical and environmental influences. An assessment may not be determined by a method that assumes a land usage or highest and best use not permitted, for that property being appraised, under existing zoning or land use planning ordinances or statutes or other government restrictions. The appraisal must also take into account: (i) In the use of sales by real estate contract as similar sales, the extent, if any, to which the stated selling price has been increased by reason of the down payment, interest rate, or other financing terms; and (ii) the extent to which the sale of a similar property actually represents the general effective market demand for property of such type, in the geographical area in which such property is located. Sales involving deed releases or similar seller-developer financing arrangements may not be used as sales of similar property.

(b) In addition to sales as defined in subsection (3)(a) of this section, consideration may be given to cost, cost less depreciation, reconstruction cost less depreciation, or capitalization of income that would be derived from prudent use of the property, as limited by law or ordinance. Consideration should be given to any agreement, between an owner of rental housing and any government agency, that restricts rental income, appreciation, and liquidity; and to the impact of government restrictions on operating expenses and on ownership rights in general of such housing. In the case of property of a complex nature, or being used under terms of a franchise from a public agency, or operating as a public utility, or property not having a record of sale within five years and not having a significant number of sales of similar property in the general area, the provisions of this subsection must be the dominant factors in valuation. When provisions of this subsection are relied upon for establishing values the property owner must be advised upon request of the factors used in arriving at such value.

(c) In valuing any tract or parcel of real property, the true and fair value of the land, exclusive of structures thereon must be determined; also the true and fair value of structures thereon, but the valuation may not exceed the true and fair value of the total property as it exists. In valuing agricultural land, growing crops must be excluded. For purposes of this subsection (3)(c), "growing crops" does not include cannabis as defined under RCW 69.50.101. [2022 c 16 § 167; 2014 c 140 § 29; 2007 c 301 § 2; 2001 c 187 § 17; 1998 c 320 § 9. Prior: 1997 c 429 § 34; 1997 c 134 § 1; 1997 c 3 § 104 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 124 § 20; 1993 c 436 § 1; 1988 c 222 § 14; 1980 c 155 § 2; prior: 1973 1st ex.s. c 195 § 96; 1973 1st ex.s. c 187 § 1; 1972

ex.s. c 125 § 2; 1971 ex.s. c 288 § 1; 1971 ex.s. c 43 § 1; 1961 c 15 § 84.40.030; prior: 1939 c 206 § 15; 1925 ex.s. c 130 § 52; 1919 c 142 § 4; 1913 c 140 § 1; 1897 c 71 § 42; 1893 c 124 § 44; 1891 c 140 § 44; 1890 p 547 § 48; RRS § 11135. FORMER PART OF SECTION: 1939 c 116 § 1, part, now codified in RCW 84.40.220.]

**Intent—Finding—2022 c 16:** See note following RCW 69.50.101.

Additional notes found at www.leg.wa.gov

**84.40.0301 Determination of value by public official—Review—Revaluation—Presumptions.** Upon review by any court, or appellate body, of a determination of the valuation of property for purposes of taxation, it shall be presumed that the determination of the public official charged with the duty of establishing such value is correct but this presumption shall not be a defense against any correction indicated by clear, cogent and convincing evidence. [1994 c 301 § 35; 1971 ex.s. c 288 § 2.]

Additional notes found at www.leg.wa.gov

**84.40.031 Valuation of timber and timberlands—Criteria established.** Based upon the study as directed by house concurrent resolution No. 10 of the thirty-seventh session of the legislature relating to the taxation of timber and timberlands, the legislature hereby establishes the criteria set forth in RCW 84.40.031 through 84.40.033 as standards for the valuation of timber and timberlands for tax purposes. [1983 c 3 § 228; 1963 c 249 § 1.]

Additional notes found at www.leg.wa.gov

**84.40.032 Valuation of timber and timberlands—"Timberlands" defined and declared lands devoted to reforestation.** As used in RCW 84.40.031 through 84.40.033 "timberlands" means land primarily suitable and used for growing a continuous supply of forest products, whether such lands be cutover, selectively harvested, or contain merchantable or immature timber, and includes the timber thereon. Timberlands are lands devoted to reforestation within the meaning of Article VII, section 1 of the state Constitution as amended. [1983 c 3 § 229; 1963 c 249 § 2.]

Additional notes found at www.leg.wa.gov

**84.40.033 Valuation of timber and timberlands—Legislative findings.** It is hereby found and declared that:

(1) Timber constitutes the primary renewable resource of this state.

(2) It is the public policy of this state that timberlands be managed in such a way as to assure a continuous supply of forest products.

(3) It is in the public interest that forest valuation and taxation policy encourage and permit timberland owners to manage their lands to sustain maximum production of raw materials for the forest industry, to maintain other public benefits, and to maintain a stable and equitable tax base.

(4) Forest management entails continuous and accumulative burdens of taxes, protection, management costs, interest on investment, and risks of loss from fire, insects, disease and the elements over long periods of time prior to harvest and realization of income.

(5) Existing timberland valuation and taxation procedures under the general property tax system are consistent with the public interest and the public policy herein set forth only when due consideration and recognition is given to all relevant factors in determining the true and fair value in money of each tract or lot of timberland.

(6) To assure equality and uniformity of taxation of timberland, uniform principles should be applied for determining the true and fair value in money of such timberlands, taking into account all pertinent factors such as regional differences in species and growing conditions.

(7) The true and fair value in money of timberlands must be determined through application of sound valuation principles based upon the highest and best use of such properties. The highest and best use of timberlands, whether cut-over, selectively harvested, or containing merchantable or immature timber, is to manage, protect and harvest them in a manner which will realize the greatest economic value and assure the maximum continuous supply of forest products. This requires that merchantable timber originally on timberlands be harvested gradually to maintain a continuous supply until immature timber reaches the optimum age or size for harvesting, that immature timber on timberlands be managed and protected for extensive periods until it reaches such optimum age or size and that such timberlands be continually restocked as harvested.

(8) Reforestation entails an integrated forest management program which includes gradual harvesting of existing merchantable timber, management and protection of immature timber during its growth cycle until it reaches the optimum size or age for harvesting and a continual preparation and restocking of areas after harvest. Such management of timberlands is now generally followed and practiced in this state and it is in the public interest that such management be continued and encouraged.

(9) The prices at which merchantable timber is sold generally reflect values based upon immediate harvesting, and the prices at which both merchantable and immature timber are sold frequently reflect circumstances peculiar to the particular purchaser. Such prices generally make little or no allowance for the continuous and accumulative burdens of taxes, protection, management costs, interest on investment, and risks of loss from fire, insects, disease, and the elements which must be borne by the owner of timberlands over long periods of time prior to the time timber is harvested and income is realized. Such prices do not, therefore, provide a reliable measure of the true and fair value in money. Accordingly, both the public policy and the public interest of this state and sound principles of timber valuation require that in the determination of the true and fair value in money of such properties appropriate and full allowance be made for such continuous and accumulative burdens over the period of time between assessment and harvest. [1963 c 249 § 3.]

Additional notes found at www.leg.wa.gov

**84.40.036 Valuation of vessels—Apportionment.** (1) As used in this section, "apportionable vessel" means a ship or vessel which is:

(a) Engaged in interstate commerce;

(b) Engaged in foreign commerce; and/or

(c) Engaged exclusively in fishing, tendering, harvesting, and/or processing seafood products on the high seas or waters under the jurisdiction of other states.

(2) The value of each apportionable vessel shall be apportioned to this state based on the number of days or fractions of days that the vessel is within this state during the preceding calendar year: PROVIDED, That if the total number of days the vessel is within the limits of the state does not exceed one hundred twenty for the preceding calendar year, no value shall be apportioned to this state. For the purposes of this subsection (2), a fraction of a day means more than sixteen hours in a calendar day.

(3) Time during which an apportionable vessel is in the state for one or more of the following purposes shall not be considered as time within this state, if the length of time is reasonable for the purpose:

(a) Undergoing repair or alteration;

(b) Taking on or discharging cargo, passengers, or supplies; and

(c) Serving as a tug for a vessel under (a) or (b) of this subsection.

(4) Days during which an apportionable vessel leaves this state only while navigating the high seas in order to travel between points in this state shall be considered as days within this state. [1998 c 335 § 6; 1986 c 229 § 2.]

*Listing of taxable ships and vessels with department: RCW 84.40.065.*

*Partial exemption for ships and vessels: RCW 84.36.080.*

Additional notes found at www.leg.wa.gov

**84.40.037 Valuation of computer software—Embedded software.** (1) Computer software, except embedded software, shall be valued in the first year of taxation at one hundred percent of the acquisition cost of the software and in the second year at fifty percent of the acquisition cost. Computer software, other than embedded software, shall have no value for purposes of property taxation after the second year.

(2) Embedded software is a part of the computer system or other machinery or equipment in which it is housed and shall be valued in the same manner as the machinery or equipment. [1991 sp.s. c 29 § 4.]

**Findings, intent—Severability—Application—1991 sp.s. c 29:** See notes following RCW 84.04.150.

**84.40.038 Petition county board of equalization—Limitation on changes to time limit—Waiver of filing deadline—Direct appeal to state board of tax appeals.** (1) The owner or person responsible for payment of taxes on any property may petition the county board of equalization for a change in the assessed valuation placed upon such property by the county assessor or for any other reason specifically authorized by statute. Such petition must be made on forms prescribed or approved by the department of revenue and any petition not conforming to those requirements or not properly completed may not be considered by the board. The petition must be filed with the board:

(a) On or before July 1st of the year of the assessment or determination;

(b) Within thirty days after the date the assessment, value change notice, or other notice was mailed;

(c) Within thirty days after the date that the assessor electronically (i) transmitted the assessment, value change notice, or other notice, or (ii) notified the owner or person responsible for payment of taxes that the assessment, value change notice, or other notice was available to be accessed by the owner or other person; or

(d) Within a time limit of up to sixty days adopted by the county legislative authority, whichever is later. If a county legislative authority sets a time limit, the authority may not change the limit for three years from the adoption of the limit.

(2) The board of equalization may waive the filing deadline if the petition is filed within a reasonable time after the filing deadline and the petitioner shows good cause for the late filing. However, the board of equalization must waive the filing deadline for the circumstance described under (f) of this subsection if the petition is filed within a reasonable time after the filing deadline. The decision of the board of equalization regarding a waiver of the filing deadline is final and not appealable under RCW 84.08.130. Good cause may be shown by one or more of the following events or circumstances:

(a) Death or serious illness of the taxpayer or his or her immediate family;

(b) The taxpayer was absent from the address where the taxpayer normally receives the assessment or value change notice, was absent for more than fifteen days of the days allowed in subsection (1) of this section before the filing deadline, and the filing deadline is after July 1;

(c) Incorrect written advice regarding filing requirements received from board of equalization staff, county assessor's staff, or staff of the property tax advisor designated under RCW 84.48.140;

(d) Natural disaster such as flood or earthquake;

(e) Delay or loss related to the delivery of the petition by the postal service, and documented by the postal service;

(f) The taxpayer was not sent a revaluation notice under RCW 84.40.045 for the current assessment year and the taxpayer can demonstrate both of the following:

(i) The taxpayer's property value did not change from the previous year; and

(ii) The taxpayer's property is located in an area revalued by the assessor for the current assessment year; or

(g) Other circumstances as the department may provide by rule.

(3) The owner or person responsible for payment of taxes on any property may request that the appeal be heard by the state board of tax appeals without a hearing by the county board of equalization when the assessor, the owner or person responsible for payment of taxes on the property, and a majority of the county board of equalization agree that a direct appeal to the state board of tax appeals is appropriate. The state board of tax appeals may reject the appeal, in which case the county board of equalization must consider the appeal under RCW 84.48.010. Notice of such a rejection, together with the reason therefor, must be provided to the affected parties and the county board of equalization within thirty days of receipt of the direct appeal by the state board. [2014 c 97 § 407; 2011 c 84 § 1; 2001 c 185 § 11; 1997 c 294 § 1; 1994 c 123 § 4; 1992 c 206 § 11; 1988 c 222 § 19.]

Additional notes found at www.leg.wa.gov

**84.40.039 Reducing valuation after government restriction—Petitioning assessor—Establishing new valuation—Notice—Appeal—Refund.** (1) The owner or person responsible for payment of taxes on any real property may

petition the assessor for a reduction in the assessed value of the real property at any time within three years of adoption of a restriction by a government entity.

(2) Notwithstanding the revaluation cycle for the county, the assessor shall reconsider the valuation of the real property within one hundred twenty days of the filing of a petition under subsection (1) of this section. If the new valuation is established for the real property after this review, the assessor shall notify the property owner in the manner provided in RCW 84.40.045. Unless the real property would otherwise be revalued that year as a result of the revaluation cycle or new construction, the valuation of the real property shall not be increased as a result of this revaluation. If the new valuation is established after June 1st in any year, the new valuation shall be used for purposes of imposing property taxes in the following year, but the property owner shall be eligible for a refund under RCW 84.69.020.

(3) A new valuation established under this section may be appealed under RCW 84.40.038.

(4) If the assessor reduces the valuation of real property using the process under this section, the property owner shall be entitled to a refund on property taxes paid on this property calculated as follows:

(a) A property owner is entitled to receive a refund for each year after the restriction was adopted, but not to exceed three years, that the taxpayer paid property taxes on the real property based upon the prior higher valuation; and

(b) The amount of the refund in each year shall be the amount of reduced valuation on the real property for that year, multiplied by the rate of property taxes imposed on the property in that year.

(5) As used in this section, "restriction" means a limitation, requirement, regulation, or restriction that limits the use of the property, including those imposed by the application of ordinances, resolutions, rules, regulations, policies, statutes, and conditions of land use approval. [1998 c 306 § 1.]

**84.40.040 Time and manner of listing.** The assessor shall begin the preliminary work for each assessment not later than the first day of December of each year in all counties in the state. The assessor shall also complete the duties of listing and placing valuations on all property by May 31st of each year, except that the listing and valuation of construction and mobile homes under RCW 36.21.080 and 36.21.090 shall be completed by August 31st of each year, and in the following manner, to wit:

The assessor shall actually determine as nearly as practicable the true and fair value of each tract or lot of land listed for taxation and of each improvement located thereon and shall enter one hundred percent of the true and fair value of such land and value of such improvements, together with the total of such one hundred percent valuations, opposite each description of property on the assessment list and tax roll.

The assessor shall make an alphabetical list of the names of all persons in the county liable to assessment of personal property, and require each person to make a correct list and statement of such property according to the standard form prescribed by the department of revenue, which statement and list shall include, if required by the form, the year of acquisition and total original cost of personal property in each category of the prescribed form. However, the assessor may list and value improvements on publicly owned land in the same manner as real property is listed and valued, including conformance with the revaluation program required under chapter 84.41 RCW. Such list and statement shall be filed on or before the last day of April. The assessor shall on or before the 1st day of January of each year mail, or electronically transmit, a notice to all such persons at their last known address that such statement and list is required. This notice must be accompanied by the form on which the statement or list is to be made. The notice mailed, or electronically transmitted, by the assessor to each taxpayer each year shall, if practicable, include the statement and list of personal property of the taxpayer for the preceding year. Upon receipt of such statement and list the assessor shall thereupon determine the true and fair value of the property included in such statement and enter one hundred percent of the same on the assessment roll opposite the name of the party assessed; and in making such entry in the assessment list, the assessor shall give the name and post office address of the party listing the property, and if the party resides in a city the assessor shall give the street and number or other brief description of the party's residence or place of business. The assessor may, after giving written notice of the action to the person to be assessed, add to the assessment list any taxable property which should be included in such list. [2003 c 302 § 1; 2001 c 187 § 18; 1997 c 3 § 106 (Referendum Bill No. 47, approved November 4, 1997); 1988 c 222 § 15; 1982 1st ex.s. c 46 § 5; 1973 1st ex.s. c 195 § 97; 1967 ex.s. c 149 § 36; 1961 c 15 § 84.40.040. Prior: 1939 c 206 § 16, part; 1925 ex.s. c 130 § 57, part; 1897 c 71 § 46, part; 1895 c 176 § 5, part; 1893 c 124 § 48, part; 1891 c 140 § 48, part; RRS § 11140, part.]

Additional notes found at www.leg.wa.gov

**84.40.042 Valuation and assessment of divided or combined property.** (1) When real property is divided in accordance with chapter 58.17 RCW, the assessor shall carefully investigate and ascertain the true and fair value of each lot and assess each lot on that same basis, unless specifically provided otherwise by law. For purposes of this section, "lot" has the same definition as in RCW 58.17.020.

(a) The assessor must establish the true and fair value by October 30th of the year following the recording of the plat, replat, or altered plat. The value established must be the value of the lot as of January 1st of the year the original parcel of real property was last revalued.

(b) For purposes of this section, "subdivision" means a division of land into two or more lots.

(c) For each subdivision, all current year and delinquent taxes and assessments on the entire tract must be paid in full in accordance with RCW 58.17.160 and 58.08.030 except when property is being acquired by a government for public use. For purposes of this section, "current year taxes" means taxes that are collectible under RCW 84.56.010 subsequent to completing the tax roll for current year collection.

(2) When the assessor is required by law to segregate any part or parts of real property, assessed before or after July 27, 1997, as one parcel or when the assessor is required by law to combine parcels of real property assessed before or after July 27, 1997, as two or more parcels, the assessor must carefully investigate and ascertain the true and fair value of each part

or parts of the real property and each combined parcel and assess each part or parts or each combined parcel on that same basis. [2017 c 109 § 3; 2009 c 350 § 1; 2008 c 17 § 1; 2002 c 168 § 8; 1997 c 393 § 17.]

**84.40.045 Notice of change in valuation of real property to be given taxpayer—Copy to person making payments pursuant to mortgage, contract, or deed of trust—Procedure—Penalty.** (1) The assessor must give notice of any change in the true and fair value of real property for the tract or lot of land and any improvements thereon no later than thirty days after appraisal. However, no such notice may be mailed during the period from January 15th to February 15th of each year. Furthermore, no notice need be sent with respect to changes in valuation of publicly owned property exempt from taxation under provisions of RCW 84.36.010 or of forestland made pursuant to chapter 84.33 RCW.

(2) The notice must contain a statement of both the prior and the new true and fair value, stating separately land and improvement values, and a brief statement of the procedure for appeal to the board of equalization and the time, date, and place of the meetings of the board.

(3) The notice must be mailed by the assessor to the taxpayer.

(4) If any taxpayer, as shown by the tax rolls, holds solely a security interest in the real property which is the subject of the notice, pursuant to a mortgage, contract of sale, or deed of trust, such taxpayer must, upon written request of the assessor, supply, within thirty days of receipt of such request, to the assessor the name and address of the person making payments pursuant to the mortgage, contract of sale, or deed of trust, and thereafter such person must also receive a copy of the notice provided for in this section. Willful failure to comply with such request within the time limitation provided for in this section makes such taxpayer subject to a maximum civil penalty of five thousand dollars. The penalties provided for in this section are recoverable in an action by the county prosecutor, and when recovered must be deposited in the county current expense fund. The assessor must make the request provided for by this section during the month of January. [2013 c 235 § 1; 2001 c 187 § 19; 1997 c 3 § 107 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 36; 1977 ex.s. c 181 § 1; 1974 ex.s. c 187 § 8; 1972 ex.s. c 125 § 1; 1971 ex.s. c 288 § 16; 1967 ex.s. c 146 § 10.]

Additional notes found at www.leg.wa.gov

**84.40.060 Personal property assessment.** Upon receipt of the statement of personal property, the assessor shall assess the value of such property. If any property is listed or assessed on or after the 31st day of May, the same shall be legal and binding as if listed and assessed before that time. [2003 c 302 § 2; 1988 c 222 § 16; 1967 ex.s. c 149 § 37; 1961 c 15 § 84.40.060. Prior: 1939 c 206 § 17; 1925 ex.s. c 130 § 58; 1897 c 71 § 47; 1893 c 124 § 49; 1891 c 140 § 49; 1890 p 548 § 49; RRS § 11141.]

Additional notes found at www.leg.wa.gov

**84.40.065 Listing of taxable ships and vessels with department—Assessment—Rights of review.** (1) Every individual, corporation, association, partnership, trust, and estate shall list with the department of revenue all ships and vessels which are subject to their ownership, possession, or control and which are not entirely exempt from property taxation, and such listing shall be subject to the same requirements and penalties provided in this chapter for all other personal property in the same manner as provided in this chapter, except as may be specifically provided otherwise with respect to ships and vessels.

(2) The listing of ships and vessels shall be accomplished in the manner and upon forms prescribed by the department. Upon listing, the department shall assign a tax identification number for each vessel listed.

(3) The department shall assess all ships and vessels and shall, on or before January 31st of each year, mail to the owner of a ship or vessel, or to the person listing the ship or vessel if different from the owner, a notice showing the valuation of the ship or vessel assessed. Taxes due the following year shall be based upon the valuation. On or after February 15, but no later than thirty days before April 30, the department shall mail to the owner of a ship or vessel, or to the person listing the ship or vessel if different from the owner, a tax statement showing the valuation for the previous year of the ship or vessel assessed and the amount of tax owed for the current year.

(4) Any ship or vessel owner, or person listing the ship or vessel if different from the owner, disputing the assessment or disputing whether the ship or vessel is subject to taxation under this section shall have the same rights of review as any other ship or vessel owner subject to the excise tax contained in chapter 82.49 RCW in accordance with RCW 82.49.060. [1993 c 33 § 2; 1986 c 229 § 3; 1984 c 250 § 5. Formerly RCW 84.08.200.]

*Collection of ad valorem taxes: RCW 84.56.440.*

*Partial exemption for ships and vessels: RCW 84.36.080.*

*Valuation of vessels—Apportionment: RCW 84.40.036.*

Additional notes found at www.leg.wa.gov

**84.40.070 Companies, associations—Listing.** The president, secretary, or principal accounting officer or agent of any company or association, whether incorporated or unincorporated, except as otherwise provided for in this title, shall make out and deliver to the assessor a statement of its property, setting forth particularly (1) the name and location of the company or association; (2) the real property of the company or association, and where situated; and (3) the nature and value of its personal property. The real and personal property of such company or association shall be assessed the same as other real and personal property. In all cases of failure or refusal of any person, officer, company, or association to make such return or statement, it shall be the duty of the assessor to make such return or statement from the best information he or she can obtain. [2013 c 23 § 357; 2003 c 302 § 3; 1961 c 15 § 84.40.070. Prior: 1925 ex.s. c 130 § 27; 1897 c 71 § 20; 1893 c 124 § 20; 1891 c 140 § 20; 1890 p 538 § 21; Code 1881 § 2839; RRS § 11131.]

**84.40.080 Listing omitted property or improvements.** An assessor shall enter on the assessment roll in any year any property shown to have been omitted from the assessment roll of any preceding year, at the value for the preceding year, or if not then valued, at such value as the assessor shall determine for the preceding year, and such value

shall be stated separately from the value of any other year. Where improvements have not been valued and assessed as a part of the real estate upon which the same may be located, as evidenced by the assessment rolls, they may be separately valued and assessed as omitted property under this section. No such assessment shall be made in any case where a bona fide purchaser, encumbrancer, or contract buyer has acquired any interest in said property prior to the time such improvements are assessed. When such an omitted assessment is made, the taxes levied thereon may be paid within one year of the due date of the taxes for the year in which the assessment is made without penalty or interest. In the assessment of personal property, the assessor shall assess the omitted value not reported by the taxpayer as evidenced by an inspection of either the property or the books and records of said taxpayer by the assessor. [1995 c 134 § 14. Prior: 1994 c 301 § 37; 1994 c 124 § 21; 1973 2nd ex.s. c 8 § 1; 1961 c 15 § 84.40.080; prior: 1951 1st ex.s. c 8 § 1; 1925 ex.s. c 130 § 59; 1897 c 71 § 48; RRS § 11142.]

**84.40.085 Limitation period for assessment of omitted property or value—Notification to taxpayer of omission—Procedure.** No omitted property or omitted value assessment shall be made for any period more than three years preceding the year in which the omission is discovered. The assessor, upon discovery of such omission, shall forward a copy of the amended personal property affidavit along with a letter of particulars informing the taxpayer of the findings and of the taxpayer's right of appeal to the county board of equalization. Upon request of either the taxpayer or the assessor, the county board of equalization may be reconvened to act on the omitted property or omitted value assessments. [1994 c 124 § 22; 1973 2nd ex.s. c 8 § 2.]

**84.40.090 Taxing districts to be designated—Separate assessments.** It shall be the duty of assessors, when assessing real or personal property, to designate the name or number of each taxing district in which each person and each description of property assessed is liable for taxes. When the real and personal property of any person is assessable in several taxing districts, the amount in each shall be assessed separately. [1994 c 301 § 38; 1961 c 15 § 84.40.090. Prior: 1925 ex.s. c 130 § 62; 1897 c 71 § 51; 1893 c 124 § 52; 1891 c 140 § 52; 1890 p 551 § 57; RRS § 11145.]

**84.40.110 Examination under oath—Default listing.** When the assessor shall be of opinion that the person listing property for himself or herself or for any other person, company, or corporation, has not made a full, fair, and complete list of such property, he or she may examine such person under oath in regard to the amount of the property he or she is required to list, and if such person shall refuse to answer under oath, and a full discovery make, the assessor may list the property of such person, or his or her principal, according to his or her best judgment and information. [2013 c 23 § 358; 1961 c 15 § 84.40.110. Prior: 1925 ex.s. c 130 § 24; 1897 c 71 § 17; 1893 c 124 § 17; 1891 c 140 § 17; 1890 p 535 § 15; Code 1881 § 2831; 1867 p 62 § 8; RRS § 11128.]

**84.40.120 Oaths, who may administer—Criminal penalty for willful false listing.** (1) Any oath authorized to be administered under this title may be administered by any assessor or deputy assessor, or by any other officer having authority to administer oaths.

(2) Any person willfully making a false list, schedule, or statement under oath is guilty of perjury under chapter 9A.72 RCW. [2003 c 53 § 409; 1961 c 15 § 84.40.120. Prior: 1925 ex.s. c 130 § 67; 1897 c 71 § 57; 1893 c 124 § 58; 1891 c 140 § 58; 1890 p 553 § 63; RRS § 11150.]

**Intent—Effective date—2003 c 53:** See notes following RCW 2.48.180.

**84.40.130 Penalty for failure or refusal to list—False or fraudulent listing, additional penalty.** (1) If any person or corporation fails or refuses to deliver to the assessor, on or before the date specified in RCW 84.40.040, a list of the taxable personal property which is required to be listed under this chapter, unless it is shown that such failure is due to reasonable cause and not due to willful neglect, there must be added to the amount of tax assessed against the taxpayer on account of such personal property five percent of the amount of such tax, not to exceed fifty dollars per calendar day, if the failure is for not more than one month, with an additional five percent for each additional month or fraction thereof during which such failure continues not exceeding twenty-five percent in the aggregate. Such penalty must be collected in the same manner as the tax to which it is added and distributed in the same manner as other property tax interest and penalties.

(2) If any person or corporation willfully gives a false or fraudulent list, schedule or statement required by this chapter, or, with intent to defraud, fails or refuses to deliver any list, schedule or statement required by this chapter, such person or corporation is liable for the additional tax properly due or, in the case of willful failure or refusal to deliver such list, schedule or statement, the total tax properly due; and in addition such person or corporation is liable for a penalty of one hundred percent of such additional tax or total tax as the case may be. Such penalty is in lieu of the penalty provided for in subsection (1) of this section. A person or corporation giving a false list, schedule or statement is not subject to this penalty if it is shown that the misrepresentations contained therein are entirely attributable to reasonable cause. The taxes and penalties provided for in this subsection must be recovered in an action in the name of the state of Washington on the complaint of the county assessor or the county legislative authority and must, when collected, be paid into the county treasury to the credit of the current expense fund. The provisions of this subsection are additional and supplementary to any other provisions of law relating to recovery of property taxes. [2021 c 145 § 21; 2012 c 59 § 1; 2004 c 79 § 5; 1988 c 222 § 17; 1967 ex.s. c 149 § 38; 1961 c 15 § 84.40.130. Prior: 1925 ex.s. c 130 § 51; 1897 c 71 § 41; 1893 c 124 § 41; 1891 c 140 § 41; 1890 p 546 § 45; Code 1881 § 2835; RRS § 11132.]

**Effective date—2012 c 59:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [March 20, 2012]." [2012 c 59 § 2.]

Additional notes found at www.leg.wa.gov

**84.40.150 Sick or absent persons—May report to board of equalization.** If any person required to list property for taxation and provide the assessor with the list, is pre-

vented by sickness or absence from giving to the assessor such statement, such person or his or her agent having charge of such property, may, at any time before the close of the session of the board of equalization, make out and deliver to said board a statement of the same as required by this title, and the board shall, in such case, make an entry thereof, and correct the corresponding item or items in the return made by the assessor, as the case may require; but no such statement shall be received by the said board from any person who refused or neglected to make oath to his or her statement when required by the assessor as provided herein; nor from any person unless he or she makes and files with the said board an affidavit that he or she was absent from his or her county, without design to avoid the listing of his or her property, or was prevented by sickness from giving the assessor the required statement when called on for that purpose. [1993 c 33 § 3; 1961 c 15 § 84.40.150. Prior: 1925 ex.s. c 130 § 66; 1897 c 71 § 55; 1893 c 124 § 56; 1891 c 141 § 56; 1890 p 553 § 62; RRS § 11149.]

Additional notes found at www.leg.wa.gov

**84.40.160 Manner of listing real estate—Maps.** The assessor shall list all real property according to the largest legal subdivision as near as practicable. The assessor shall make out in the plat and description book in numerical order a complete list of all lands or lots subject to taxation, showing the names and owners, if to him or her known and if unknown, so stated; the number of acres and lots or parts of lots included in each description of property and the value per acre or lot: PROVIDED, That the assessor shall give to each tract of land where described by metes and bounds a number, to be designated as Tax No. . . . ., which said number shall be placed on the tax rolls to indicate that certain piece of real property bearing such number, and described by metes and bounds in the plat and description book herein mentioned, and it shall not be necessary to enter a description by metes and bounds on the tax roll of the county, and the assessor's plat and description book shall be kept as a part of the tax collector's records: AND PROVIDED, FURTHER, That the board of county commissioners of any county may by order direct that the property be listed numerically according to lots and blocks or section, township and range, in the smallest platted or government subdivision, and when so listed the value of each block, lot or tract, the value of the improvements thereon and the total value thereof, including improvements thereon, shall be extended after the description of each lot, block or tract, which last extension shall be in the column headed "Total value of each tract, lot or block of land assessed with improvements as returned by the assessor." In carrying the values of said property into the column representing the equalized value thereof, the county assessor shall include and carry over in one item the equalized valuation of all lots in one block, or land in one section, listed consecutively, which belong to any one person, firm, or corporation, and are situated within the same taxing district, and in the assessed value of which the county board of equalization has made no change. Where assessed valuations are changed, the equalized valuation must be extended and shown by item.

The assessor shall prepare and possess a complete set of maps drawn to indicate parcel configuration for lands in the county. The assessor shall continually update the maps to reflect transfers, conveyances, acquisitions, or any other transaction or event that changes the boundaries of any parcel and shall renumber the parcels or prepare new map pages for any portion of the maps to show combinations or divisions of parcels. [2013 c 23 § 359; 1997 c 135 § 1; 1961 c 15 § 84.40.160. Prior: 1925 ex.s. c 130 § 54; 1901 c 79 § 1; 1899 c 141 § 3; 1897 c 71 § 43; 1895 c 176 § 4; 1893 c 124 § 45; 1891 c 140 § 45; 1890 p 548 § 49; RRS § 11137.]

**84.40.170 Plat of irregular subdivided tracts—Notice to owner—Surveys—Costs.** (1) In all cases of irregular subdivided tracts or lots of land other than any regular government subdivision the assessor shall outline a plat of such tracts or lots and notify the owner or owners thereof with a request to have the same surveyed by the county engineer, and cause the same to be platted into numbered (or lettered) lots or tracts. If any county has in its possession the correct field notes of any such tract or lot of land a new survey shall not be necessary and such tracts may be mapped from such field notes. In case the owner of such tracts or lots neglects or refuses to have the same surveyed or platted, the assessor shall notify the county legislative authority in and for the county, who may order and direct the county engineer to make the proper survey and plat of the tracts and lots. A plat shall be made on which said tracts or lots of land shall be accurately described by lines, and numbered (or lettered), which numbers (or letters) together with number of the section, township and range shall be distinctly marked on such plat, and the field notes of all such tracts or lots of land shall describe each tract or lot according to the survey, and such tract or lot shall be numbered (or lettered) to correspond with its number (or letter) on the map. The plat shall be given a designated name by the surveyor thereof. When the survey, plat, field notes and name of plat, shall have been approved by the county legislative authority, the plat and field notes shall be filed and recorded in the office of the county auditor, and the description of any tract or lot of land described in said plats by number (or letter), section, township and range, shall be a sufficient and legal description for revenue and all other purposes.

(2) Upon the request of eighty percent of the owners of the property to be surveyed and the approval of the county legislative authority, the county assessor may charge for actual costs and file a lien against the subject property if the costs are not repaid within ninety days of notice of completion, which may be collected as if such charges had been levied as a property tax. [1994 c 301 § 39; 1994 c 124 § 23; 1961 c 15 § 84.40.170. Prior: 1925 ex.s. c 130 § 53; 1901 c 124 §§ 1, 2, 3; 1891 c 140 § 45; RRS § 11136.]

**Reviser's note:** This section was amended by 1994 c 124 § 23 and by 1994 c 301 § 39, each without reference to the other. Both amendments are incorporated in the publication of this section pursuant to RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

**84.40.175 Listing of exempt property—Proof of exemption—Valuation of publicly owned property.** At the time of making the assessment of real property, the assessor must enter each description of property exempt under the provisions of chapter 84.36 RCW, and value and list the same in the manner and subject to the same rule as the assessor is required to assess all other property, designating in each case

to whom such property belongs. The valuation requirements of this section do not apply to publicly owned property exempt from taxation under provisions of RCW 84.36.010. However, when the exempt status of such property no longer applies as a result of a sale or change in use, the assessor must value and list such property as of the January 1st assessment date for the year of the status change. The owner or person responsible for payment of taxes may thereafter petition the county board of equalization for a change in the assessed value in accordance with the timing and procedures set forth in RCW 84.40.038. [2014 c 97 § 408; 2013 c 235 § 2; 1994 c 124 § 24; 1986 c 285 § 3; 1975-'76 2nd ex.s. c 61 § 15; 1961 c 15 § 84.40.175. Prior: 1925 ex.s. c 130 § 9; 1891 c 140 § 5; 1890 p 532 § 5; RRS § 11113. Formerly RCW 84.36.220.]

*Leasehold excise tax: Chapter 82.29A RCW.*

**84.40.178 Exempt residential property—Maintenance of assessed valuation—Notice of change.** The assessor shall maintain an assessed valuation in accordance with the approved revaluation cycle for a residence owned by a person qualifying for exemption under RCW 84.36.381 in addition to the valuation required under RCW 84.36.381(6). Upon a change in the true and fair value of the residence, the assessor shall notify the person qualifying for exemption under RCW 84.36.381 of the new true and fair value and that the new true and fair value will be used to compute property taxes if the property fails to qualify for exemption under RCW 84.36.381. [1995 1st sp.s. c 8 § 3.]

Additional notes found at www.leg.wa.gov

**84.40.185 Individuals, corporations, limited liability companies, associations, partnerships, trusts, or estates required to list personalty.** Every individual, corporation, limited liability company, association, partnership, trust, or estate shall list all personal property in his or her or its ownership, possession, or control which is subject to taxation pursuant to the provisions of this title. Such listing shall be made and delivered in accordance with the provisions of this chapter. [2013 c 23 § 360; 1995 c 318 § 5; 1967 ex.s. c 149 § 41.]

Additional notes found at www.leg.wa.gov

**84.40.190 Statement of personal property.** Every person required by this title to list property shall make out and deliver to the assessor, or to the department as required by RCW 84.40.065, either in person, by mail, or by electronic transmittal if available, a statement of all the personal property in his or her possession or under his or her control, and which, by the provisions of this title, he or she is required to list for taxation, either as owner or holder thereof. When any list, schedule, or statement is made, the principal required to make out and deliver the same shall be responsible for the contents and the filing thereof and shall be liable for the penalties imposed pursuant to RCW 84.40.130. No person shall be required to list for taxation in his statement to the assessor any share or portion of the capital stock, or of any of the property of any company, association or corporation, which such person may hold in whole or in part, where such company, being required so to do, has listed for assessment and taxation its capital stock and property with the department of revenue, or as otherwise required by law. [2003 c 302 § 4; 2001 c 185 § 13; 1993 c 33 § 4; 1967 ex.s. c 149 § 39; 1961 c 15 § 84.40.190. Prior: 1945 c 56 § 1; 1925 ex.s. c 130 § 22; 1897 c 71 § 15; 1893 c 124 § 15; 1891 c 140 § 15; 1890 p 535 § 15; Code 1881 § 2834; Rem. Supp. 1945 § 11126.]

Additional notes found at www.leg.wa.gov

**84.40.200 Listing of personalty on failure to obtain statement—Statement of valuation to person assessed or listing—Exemption.** (1) In all cases of failure to obtain a statement of personal property, from any cause, it shall be the duty of the assessor to ascertain the amount and value of such property and assess the same at such amount as he or she believes to be the true value thereof.

(2) The assessor, in all cases of the assessment of personal property, shall deliver or mail to the person assessed, or to the person listing the property, a copy of the statement of property hereinbefore required, showing the valuation of the property so listed.

(3) This section does not apply to the listing required under RCW 84.40.065. [1993 c 33 § 5; 1987 c 319 § 3; 1961 c 15 § 84.40.200. Prior: 1939 c 206 § 18; 1925 ex.s. c 130 § 64; 1897 c 71 § 53; 1893 c 124 § 54; 1891 c 140 § 54; 1890 p 551 § 59; RRS § 11147.]

Additional notes found at www.leg.wa.gov

**84.40.210 Personalty of manufacturer, listing procedure, statement—"Manufacturer" defined.** Every person who purchases, receives, or holds personal property of any description for the purpose of adding to the value thereof by any process of manufacturing, refining, rectifying, or by the combination of different materials with the view of making gain or profit by so doing shall be held to be a manufacturer, and he or she shall, when required to, make and deliver to the assessor a statement of the amount of his or her other personal property subject to taxes, also include in his or her statement the value of all articles purchased, received, or otherwise held for the purpose of being used in whole or in part in any process or processes of manufacturing, combining, rectifying, or refining. Every person owning a manufacturing establishment of any kind and every manufacturer shall list as part of his or her manufacturer's stock the value of all engines and machinery of every description used or designed to be used in any process of refining or manufacturing except such fixtures as have been considered as part of any parcel of real property, including all tools and implements of every kind, used or designed to be used for the first aforesaid purpose. [2013 c 23 § 361; 1961 c 168 § 1; 1961 c 15 § 84.40.210. Prior: 1939 c 66 § 1; 1927 c 282 § 1; 1925 ex.s. c 130 § 26; 1921 c 60 § 1; 1897 c 71 § 19; 1893 c 124 § 19; 1891 c 140 § 19; 1890 p 538 § 20; RRS § 11130.]

**84.40.220 Merchant's personalty held for sale—Consignment from out of state—Nursery stock assessable as growing crops.** Whoever owns, or has in his or her possession or subject to his or her control, any goods, merchandise, grain, or produce of any kind, or other personal property within this state, with authority to sell the same, which has been purchased either in or out of this state, with a view to being sold at an advanced price or profit, or which has been consigned to him or her from any place out of this state for the purpose of being sold at any place within the state, shall be held to be a merchant, and when he or she is by this title

required to make out and to deliver to the assessor a statement of his or her other personal property, he or she shall state the value of such property pertaining to his or her business as a merchant. No consignee shall be required to list for taxation the value of any property the product of this state, nor the value of any property consigned to him or her from any other place for the sole purpose of being stored or forwarded, if he or she has no interest in such property nor any profit to be derived from its sale. The growing stock of nursery dealers, which is owned by the original producer thereof or which has been held or possessed by the nursery dealers for one hundred eighty days or more, shall, whether personal or real property, be considered the same as growing crops on cultivated lands: PROVIDED, That the nursery dealers be licensed by the department of agriculture: PROVIDED FURTHER, That an original producer, within the meaning of this section, shall include a person who, beginning with seeds, cuttings, bulbs, corms, or any form of immature plants, grows such plants in the course of their development into either a marketable partially grown product or a marketable consumer product. [2013 c 23 § 362; 1974 ex.s. c 83 § 1; 1971 ex.s. c 18 § 1; 1961 c 15 § 84.40.220. Prior: 1939 c 116 § 1; 1925 ex.s. c 130 § 25; 1897 c 71 § 18; 1893 c 124 § 18; 1891 c 140 § 18; 1890 p 537 § 19; Code 1881 § 2839; RRS § 11129. Formerly RCW 84.40.030, part, and 84.40.220.]

**84.40.230 Contract to purchase public land.** When any real property is sold on contract by the United States of America, the state, any county or municipality, or any federally recognized Indian tribe, and the contract expresses or implies that the vendee is entitled to the possession, use, benefits[,] and profits thereof and therefrom so long as the vendee complies with the terms of the contract, it is deemed that the vendor retains title merely as security for the fulfillment of the contract, and the property must be assessed and taxed in the same manner as other similar property in private ownership is taxed, and the tax roll must contain, opposite the description of the property so assessed the following notation: "Subject to title remaining in the vendor" or other notation of similar significance. No foreclosure for delinquent taxes nor any deed issued pursuant thereto may extinguish or otherwise affect the title of the vendor. In any case under former law where the contract and not the property was taxed no deed of the property described in such contract may ever be executed and delivered by the state or any county or municipality until all taxes assessed against such contract and local assessments assessed against the land described thereon are fully paid. [2014 c 207 § 7; 1994 c 124 § 25; 1961 c 15 § 84.40.230. Prior: 1947 c 231 § 1; 1941 c 79 § 1; 1925 ex.s. c 137 § 33; 1897 c 71 § 26; 1893 c 124 § 26; 1891 c 140 § 26; 1890 p 540 § 25; Rem. Supp. 1947 § 11133.]

**Application—2014 c 207:** See note following RCW 84.36.010.

**84.40.240 Annual list of lands sold or contracted to be sold to be furnished assessor.** The assessor of each county shall, on or before the first day of January of each year, obtain from the department of natural resources, and from the local land offices of the state, lists of public lands sold or contracted to be sold during the previous year in his or her county, and certify them for taxation, together with the various classes of state lands sold during the same year, and it shall be the duty of the department of natural resources to certify a list or lists of all public lands sold or contracted to be sold during the previous year, on application of the assessor of any county applying therefor. [2013 c 23 § 363; 1961 c 15 § 84.40.240. Prior: 1939 c 206 § 10; 1925 ex.s. c 130 § 10; 1897 c 71 § 91; 1893 c 124 § 94; 1891 c 140 § 26; 1890 p 540 § 25; RRS § 11114.]

**84.40.315 Federal agencies and property taxable when federal law permits.** Notwithstanding the provisions of RCW 84.36.010 or anything to the contrary in the laws of the state of Washington, expressed or implied, the United States and its agencies and instrumentalities and their property are hereby declared to be taxable, and shall be taxed under the existing laws of this state or any such laws hereafter enacted, whenever and in such manner as such taxation may be authorized or permitted under the laws of the United States. [1961 c 15 § 84.40.315. Prior: 1945 c 142 § 1; Rem. Supp. 1945 § 11150-1. Formerly RCW 84.08.180.]

**84.40.320 Detail and assessment lists to board of equalization.** The assessor shall add up and note the amount of each column in the detail and assessment lists in such manner as prescribed or approved by the state department of revenue, as will provide a convenient and permanent record of assessment. The assessor shall also make, under proper headings, a certification of the assessment rolls and on the 15th day of July, or on the 15th day of August if the county legislative authority has extended the petition filing time limit from thirty to up to sixty days as authorized in RCW 84.40.038(1)(d), shall file the same with the clerk of the county board of equalization for the purpose of equalization by the said board. Such certificate shall be verified by an affidavit, substantially in the following form:

State of Washington, . . . . . County, ss.

I, . . . . ., Assessor . . . . ., do solemnly swear that the assessment rolls and this certificate contain a correct and full list of all the real and personal property subject to taxation in this county for the assessment year (year) . . . ., so far as I have been able to ascertain the same; and that the assessed value set down in the proper column, opposite the several kinds and descriptions of property, is in each case, except as otherwise provided by law, one hundred percent of the true and fair value of such property, to the best of my knowledge and belief, and that the assessment rolls and this certificate are correct, as I verily believe.

. . . . . ., Assessor.

Subscribed and sworn to before me this . . . . day of . . . . ., (year) . . . .

(L. S.) . . . . ., Auditor of . . . . . county.

PROVIDED, That the failure of the assessor to complete the certificate shall in nowise invalidate the assessment. After the same has been duly equalized by the county board of equalization, the same shall be delivered to the county assessor. [2020 c 134 § 1; 2016 c 202 § 49; 1988 c 222 § 18; 1975 1st ex.s. c 278 § 195; 1973 1st ex.s. c 195 § 98; 1961 c 15 § 84.40.320. Prior: 1937 c 121 § 1; 1925 ex.s. c 130 § 65; 1897 c 71 § 54; 1893 c 124 § 55; 1891 c 140 § 55; 1890 p 552 § 60; RRS § 11148.]

Additional notes found at www.leg.wa.gov

**84.40.335 Lists, schedules or statements to contain declaration that falsification subject to perjury.** Except for personal property under RCW 84.40.190, any list, schedule or statement required by this chapter shall contain a written declaration that any person signing the same and knowing the same to be false shall be subject to the penalties of perjury. [2003 c 302 § 5; 1967 ex.s. c 149 § 42.]

Additional notes found at www.leg.wa.gov

**84.40.340 Verification by assessor of any list, statement, or schedule—Confidentiality, penalty.** (1) For the purpose of verifying any list, statement, or schedule required to be furnished to the assessor by any taxpayer, any assessor or his or her trained and qualified deputy at any reasonable time may visit, investigate and examine any personal property, and for this purpose the records, accounts and inventories also shall be subject to any such visitation, investigation and examination which shall aid in determining the amount and valuation of such property. Such powers and duties may be performed at any office of the taxpayer in this state, and the taxpayer shall furnish or make available all such information pertaining to property in this state to the assessor although the records may be maintained at any office outside this state.

(2) Any information or facts obtained pursuant to this section shall be used by the assessor only for the purpose of determining the assessed valuation of the taxpayer's property: PROVIDED, That such information or facts shall also be made available to the department of revenue upon request for the purpose of determining any sales or use tax liability with respect to personal property, and except in a civil or criminal judicial proceeding or an administrative proceeding in respect to penalties imposed pursuant to RCW 84.40.130, to such sales or use taxes, or to the assessment or valuation for tax purposes of the property to which such information and facts relate, shall not be disclosed by the assessor or the department of revenue without the permission of the taxpayer to any person other than public officers or employees whose duties relate to valuation of property for tax purposes or to the imposition and collection of sales and use taxes, and any violation of this secrecy provision is a gross misdemeanor. [2003 c 53 § 410; 1997 c 239 § 3; 1973 1st ex.s. c 74 § 1; 1967 ex.s. c 149 § 40; 1961 ex.s. c 24 § 6.]

**Intent—Effective date—2003 c 53:** See notes following RCW 2.48.180.

Additional notes found at www.leg.wa.gov

**84.40.343 Mobile homes—Identification of.** In the assessment of any mobile home, the assessment record shall contain a description of the mobile home including the make, model, and serial number. The property tax roll shall identify any mobile home. [1985 c 395 § 8.]

**84.40.344 Mobile homes—Avoidance of payment of tax—Penalty.** Every person who wilfully avoids the payment of personal property taxes on mobile homes subject to such tax under the laws of this state shall be guilty of a misdemeanor. [1971 ex.s. c 299 § 75.]

Additional notes found at www.leg.wa.gov

**84.40.350 Assessment and taxation of property losing exempt status.** Real property, previously exempt from taxation, shall be assessed and taxed as provided in RCW 84.40.350 through 84.40.390 when transferred to private ownership by any exempt organization including the United States of America, the state or any political subdivision thereof by sale or exchange or by a contract under conditions provided for in RCW 84.40.230 or when the property otherwise loses its exempt status. [1984 c 220 § 13; 1971 ex.s. c 44 § 2.]

**84.40.360 Loss of exempt status—Property subject to pro rata portion of taxes for remainder of year.** Property which no longer retains its exempt status shall be subject to a pro rata portion of the taxes allocable to the remaining portion of the year after the date that the property lost its exempt status. If a portion of the property has lost its exempt status, only that portion shall be subject to tax under this section. [1984 c 220 § 14; 1971 ex.s. c 44 § 3.]

**84.40.370 Loss of exempt status—Valuation date—Extension on rolls.** The assessor shall list the property and assess it with reference to its value on the date the property lost its exempt status unless such property has been previously listed and assessed. He or she shall extend the taxes on the tax roll using the rate of percent applicable as if the property had been assessed in the previous year. [2013 c 23 § 364; 1984 c 220 § 15; 1971 ex.s. c 44 § 4.]

**84.40.380 Loss of exempt status—When taxes due and payable—Dates of delinquency—Interest.** All taxes made payable pursuant to the provisions of RCW 84.40.350 through 84.40.390 shall be due and payable to the county treasurer on or before the thirtieth day of April in the event the date of execution of the instrument of transfer occurs prior to that date unless the time of payment is extended under the provisions of RCW 84.56.020. Such taxes shall be due and payable on or before the thirty-first day of October in the event the date the property lost its exempt status is subsequent to the thirtieth day of April but prior to the thirty-first day of October. In all other cases such taxes shall be due and payable within thirty days after the date the property lost its exempt status. In no case, however, shall the taxes be due and payable less than thirty days from the date the property lost its exempt status. All taxes due and payable after the dates herein shall become delinquent, and interest at the rate specified in RCW 84.56.020 for delinquent property taxes shall be charged upon such unpaid taxes from the date of delinquency until paid. [1984 c 220 § 16; 1971 ex.s. c 44 § 5.]

**84.40.390 Loss of exempt status—Taxes constitute lien on property.** Taxes made due and payable under RCW 84.40.350 through 84.40.390 shall be a lien on the property from the date the property lost its exempt status. [1984 c 220 § 17; 1971 ex.s. c 44 § 6.]

**84.40.405 Rules for agricultural products and business inventories.** The department of revenue shall promulgate such rules and regulations, and prescribe such procedures as it deems necessary to carry out RCW 84.36.470 and

84.36.477. [2001 c 187 § 20; 2000 c 103 § 28; 1985 c 7 § 156; 1983 1st ex.s. c 62 § 10; 1974 ex.s. c 169 § 9.]

**Short title—Intent—Effective dates—Applicability—1983 1st ex.s. c 62:** See notes following RCW 84.36.477.

**Severability—Effective date—Intent—1974 ex.s. c 169:** See notes following RCW 84.36.470.

Additional notes found at www.leg.wa.gov

**84.40.410 Valuation and assessment of certain leasehold interests.** A leasehold interest consisting of three thousand or more residential and recreational lots that are or may be subleased for residential and recreational purposes, together with any improvements thereon, shall be assessed and taxed in the same manner as privately owned real property. The sublessee of each lot, or the lessee if not subleased, is liable for the property tax on the lot and improvements thereon. If property tax for a lot or improvements thereon remains unpaid for more than three years from the date of delinquency, including any property taxes that are delinquent as of July 22, 2001, the county treasurer may proceed to collect the tax in the same manner as for other property, except that the lessor's interest in the property shall not be extinguished as a result of any action for the collection of tax. Collection of property taxes assessed on any such lot shall be enforceable by foreclosure proceedings in accordance with real property foreclosure proceedings authorized in chapter 84.64 RCW. [2003 c 169 § 1; 2001 c 26 § 3.]

Additional notes found at www.leg.wa.gov

**84.40.420 Valuation of renewable energy property.** (1) It is the policy of this state to promote the development of renewable energy projects to support the state's renewable energy goals.

(2) The department must publish guidance, in cooperation with industry stakeholders, to advise county assessors when appraising renewable energy facilities for determining true and fair value, in accordance with RCW 84.40.030. This guidance must include a cost-based appraisal method, and the development of industry-specific valuation tables for the following types of renewable energy property:

(a) A cost-based appraisal method and industry-specific valuation tables for equipment used to generate solar power must be published by January 1, 2023, for property taxes levied for collection in calendar year 2024;

(b) A cost-based appraisal method and industry-specific valuation tables for equipment used to generate wind power must be published by January 1, 2023, for property taxes levied for collection in calendar year 2024; and

(c) A cost-based appraisal method and industry-specific valuation tables for equipment used to store electricity must be published by January 1, 2024, for property taxes levied for collection in calendar year 2025.

(3) County assessors must refer to this guidance, including cost-based appraisal method and industry-specific valuation tables, when valuing renewable energy property but may also consider one or more additional valuation methods in determining the true and fair value of a property when there is a compelling reason to do so.

(4) For the purposes of this section, "renewable energy property" means property that uses solar or wind energy as the sole fuel source for the generation of at least one megawatt of nameplate capacity, alternating current, and all other equipment and materials that comprise the property, including equipment used to store electricity from the property to be released at a later time. "Renewable energy property" does not include any equipment or materials attached to a single-family residential building. [2022 c 292 § 301.]

**Findings—Intent—2022 c 292:** See note following RCW 43.330.565.

## Chapter 84.41 RCW
## REVALUATION OF PROPERTY

Sections



**84.41.010 Declaration of policy.** Recent comprehensive studies by the legislative council have disclosed gross inequality and nonuniformity in valuation of real property for tax purposes throughout the state. Serious nonuniformity in valuations exists both between similar property within the various taxing districts and between general levels of valuation of the various counties. Such nonuniformity results in inequality in taxation contrary to standards of fairness and uniformity required and established by the Constitution and is of such flagrant and widespread occurrence as to constitute a grave emergency adversely affecting state and local government and the welfare of all the people.

Traditional public policy of the state has vested large measure of control in matters of property valuation in county government, and the state hereby declares its purpose to continue such policy. However, present statutes and practices thereunder have failed to achieve the measure of uniformity required by the Constitution; the resultant widespread inequality and nonuniformity in valuation of property can and should no longer be tolerated. It thus becomes necessary to require general revaluation of property throughout the state. [1961 c 15 § 84.41.010. Prior: 1955 c 251 § 1.]

**84.41.020 Scope of chapter.** This chapter does not, and is not intended to affect procedures whereby taxes are imposed either for local or state purposes. This chapter concerns solely the administrative procedures by which the true and fair value in money of property is determined. The process of valuation, which is distinct and separate from the process of levying and imposing a tax, does not result either in the imposition of a tax or the determination of the amount of a tax. This chapter is intended to, and applies only to procedures and methods whereby the value of property is ascertained. [1961 c 15 § 84.41.020. Prior: 1955 c 251 § 2.]

**84.41.030 Revaluation program to be on continuous basis—Revaluation schedule—Effect of other proceedings on valuation.** (1) Each county assessor must maintain an active and systematic program of revaluation on a continuous basis. All taxable real property within a county must be revalued annually, and all taxable real property within a county must be physically inspected at least once every six years. Each county assessor may disregard any program of revaluation, if requested by a property owner, and change, as appropriate, the valuation of real property upon the receipt of a notice of decision received under RCW 36.70B.130 or chapter 35.22, 35.63, 35A.63, or 36.70 RCW pertaining to the value of the real property.

(2) The department will provide advisory appraisals of industrial properties valued at twenty-five million dollars or more in real and personal property value when requested by the county assessor. [2015 c 86 § 102; 2009 c 308 § 1; 1996 c 254 § 7; 1982 1st ex.s. c 46 § 1; 1971 ex.s. c 288 § 6; 1961 c 15 § 84.41.030. Prior: 1955 c 251 § 3.]

Additional notes found at www.leg.wa.gov

**84.41.041 Physical inspection and valuation of taxable property required—Adjustments during intervals based on statistical data.** (1) Each county assessor must cause taxable real property characteristics to be reviewed in accordance with international association of assessing officers standards for physical inspection and valued at least once every six years in accordance with RCW 84.41.030, and in accordance with a plan filed with and approved by the department of revenue. Such revaluation plan must provide that all taxable real property within a county must be revalued and these newly determined values placed on the assessment rolls each year. Property must be valued at one hundred percent of its true and fair value and assessed on the same basis, in accordance with RCW 84.40.030, unless specifically provided otherwise by law. During the intervals between each physical inspection of real property, the valuation of such property must be adjusted to its current true and fair value, such adjustments to be made once each year and to be based upon appropriate statistical data.

(2) The assessor may require property owners to submit pertinent data respecting taxable property in their control including data respecting any sale or purchase of said property within the past five years, the cost and characteristics of any improvement on the property and other facts necessary for appraisal of the property. [2021 c 122 § 3; 2017 c 323 § 507; 2015 c 86 § 103; 2009 c 308 § 2; 2001 c 187 § 21; 1997 c 3 § 108 (Referendum Bill No. 47, approved November 4, 1997); 1987 c 319 § 4; 1982 1st ex.s. c 46 § 2; 1979 ex.s. c 214 § 9; 1974 ex.s. c 131 § 2.]

**Finding—Intent—2021 c 122:** See note following RCW 2.32.050.

**Tax preference performance statement exemption—Automatic expiration date exemption—2017 c 323:** See note following RCW 82.04.040.

Additional notes found at www.leg.wa.gov

**84.41.050 Budget, levy, to provide funds.** Each county assessor in budgets hereafter submitted, shall make adequate provision to effect countywide revaluations as herein directed. The several boards of county commissioners in passing upon budgets submitted by the several assessors, shall authorize and levy amounts which in the judgment of the board will suffice to carry out the directions of this chapter. [1961 c 15 § 84.41.050. Prior: 1955 c 251 § 5.]

**84.41.060 Assistance by department of revenue at request of assessor.** Any county assessor may request special assistance from the department of revenue in the valuation of property which either (1) requires specialized knowledge not otherwise available to the assessor's staff, or (2) because of an inadequate staff, cannot be completed by the assessor within the time required by this chapter. After consideration of such request the department of revenue shall advise the assessor that such request is either approved or rejected in whole or in part. Upon approval of such request, the department of revenue may assist the assessor in the valuation of such property in such manner as the department of revenue, in its discretion, considers proper and adequate. [1975 1st ex.s. c 278 § 197; 1961 c 15 § 84.41.060. Prior: 1955 c 251 § 6.]

Additional notes found at www.leg.wa.gov

**84.41.070 Finding of unsatisfactory progress—Notice—Duty of county legislative authority.** If the department of revenue finds upon its own investigation, or upon a showing by others, that the revaluation program for any county is not proceeding for any reason as herein directed, the department of revenue shall advise both the county legislative authority and the county assessor of such finding. Within thirty days after receiving such advice, the county legislative authority, at regular or special session, either (1) shall authorize such expenditures as will enable the assessor to complete the revaluation program as herein directed, or (2) shall direct the assessor to request special assistance from the department of revenue for aid in effectuating the county's revaluation program. [1994 c 301 § 40; 1975 1st ex.s. c 278 § 198; 1961 c 15 § 84.41.070. Prior: 1955 c 251 § 7.]

Additional notes found at www.leg.wa.gov

**84.41.080 Contracts for special assistance.** Upon receiving a request from the county assessor, either upon his or her initiation or at the direction of the board of county commissioners, for special assistance in the county's revaluation program, the department of revenue may, before undertaking to render such special assistance, negotiate a contract with the board of county commissioners of the county concerned. Such contracts as are negotiated shall provide that the county will reimburse the state for fifty percent of the costs of such special assistance within three years of the date of expenditure of such costs. All such reimbursements shall be paid to the department of revenue for deposit to the state general fund. The department of revenue shall keep complete records of such contracts, including costs incurred, payments received, and services performed thereunder. [2013 c 23 § 365; 1975 1st ex.s. c 278 § 199; 1961 c 15 § 84.41.080. Prior: 1955 c 251 § 8.]

Additional notes found at www.leg.wa.gov

**84.41.090 Department to establish statistical methods—Publication of rules, regulations, and guides—Compliance required.** The department of revenue shall by rule establish appropriate statistical methods for use by assessors

in adjusting the valuation of property between physical inspections. The department of revenue shall make and publish such additional rules, regulations and guides which it determines are needed to supplement materials presently published by the department of revenue for the general guidance and assistance of county assessors. Each assessor is hereby directed and required to value property in accordance with the standards established by RCW 84.40.030 and in accordance with the applicable rules, regulations and valuation manuals published by the department of revenue. [1982 1st ex.s. c 46 § 3; 1975 1st ex.s. c 278 § 200; 1961 c 15 § 84.41.090. Prior: 1955 c 251 § 9.]

Additional notes found at www.leg.wa.gov

**84.41.100 Assessor may appoint deputies and engage expert appraisers.** See RCW 36.21.011.

**84.41.110 Appraisers to act in advisory capacity.** Appraisers whose services may be obtained by contract or who may be assigned by the department of revenue to assist any county assessor shall act in an advisory capacity only, and valuations made by them shall not in any manner be binding upon the assessor, it being the intent herein that all valuations made pursuant to this chapter shall be made and entered by the assessor pursuant to law as directed herein. [1975 1st ex.s. c 278 § 201; 1961 c 15 § 84.41.110. Prior: 1955 c 251 § 11.]

Additional notes found at www.leg.wa.gov

**84.41.120 Assessor to keep records—Orders of department of revenue, compliance enjoined, remedies.** Each county assessor shall keep such books and records as are required by the rules and regulations of the department of revenue and shall comply with any lawful order, rule, or regulation of the department of revenue.

Whenever it appears to the department of revenue that any assessor has failed to comply with any of the provisions of this chapter relating to his or her duties or the rules of the department of revenue made in pursuance thereof, the department of revenue, after a hearing on the facts, may issue an order directing such assessor to comply with such provisions of this chapter or rules of the department of revenue. Such order shall be mailed by registered mail to the assessor at the county courthouse. If, upon the expiration of fifteen days from the date such order is mailed, the assessor has not complied therewith or has not taken measures that will insure compliance within a reasonable time, the department of revenue may apply to a judge of the superior court or court commissioner of the county in which such assessor holds office, for an order returnable within five days from the date thereof to compel him or her to comply with such provisions of law or of the order of the department of revenue or to show cause why he or she should not be compelled so to do. Any order issued by the judge pursuant to such order to show cause shall be final. The remedy herein provided shall be cumulative and shall not exclude the department of revenue from exercising any powers or rights otherwise granted. [2013 c 23 § 366; 1975 1st ex.s. c 278 § 202; 1961 c 15 § 84.41.120. Prior: 1955 c 251 § 12.]

Additional notes found at www.leg.wa.gov

**84.41.130 Assessor's annual reports.** Each county assessor, before October 15th each year, shall prepare and submit to the department of revenue a detailed report of the progress made in the revaluation program in his or her county to the date of the report and be made a matter of public record. Such report shall be submitted upon forms supplied by the department of revenue and shall consist of such information as the department of revenue requires. [1998 c 245 § 171; 1975 1st ex.s. c 278 § 203; 1961 c 15 § 84.41.130. Prior: 1955 c 251 § 13.]

Additional notes found at www.leg.wa.gov

## Chapter 84.44 RCW
## TAXABLE SITUS

Sections



**84.44.010 Situs of personalty generally.** Personal property, except such as is required in this title to be listed and assessed otherwise, shall be listed and assessed in the county where it is situated. [1994 c 301 § 41; 1961 c 15 § 84.44.010. Prior: 1925 ex.s. c 130 § 16; RRS § 11120; prior: 1897 c 71 § 9; 1893 c 124 § 9; 1891 c 140 § 9; 1890 p 533 § 8; 1871 p 39 § 9; 1869 p 179 § 9.]

**84.44.020 Gas, electric, water companies—Mains and pipes, as personalty.** The personal property of gas, electric and water companies shall be listed and assessed in the town or city where the same is located. Gas and water mains and pipes laid in roads, streets or alleys, shall be held to be personal property. [1961 c 15 § 84.44.020. Prior: 1925 ex.s. c 130 § 18; RRS § 11122; prior: 1897 c 71 § 11; 1893 c 124 § 11; 1891 c 140 § 11; 1890 p 534 § 10.]

**84.44.030 Lumber and sawlogs.** Lumber and sawlogs shall be assessed and taxed in the county and taxing district where the same may be situated at noon on the first day of January of the assessment year: PROVIDED, That if any lumber or sawlogs shall, at said time, be in intrastate transit from one point to another within the state, the same shall be assessed and taxed in the county and taxing districts of their destination. [1961 c 15 § 84.44.030. Prior: 1941 c 155 § 1; 1939 c 206 § 12; 1925 ex.s. c 130 § 13; Rem. Supp. 1941 § 11117; prior: 1907 c 108 § 3.]

**84.44.050 Personalty of automobile transportation companies—Vessels, boats and small craft.** The personal property of automobile transportation companies owning, controlling, operating or managing any motor propelled vehicle used in the business of transporting persons and/or property for compensation over any public highway in this state between fixed termini or over a regular route, shall be listed and assessed in the various counties where such vehicles are

operated, in proportion to the mileage of their operations in such counties: PROVIDED, That vehicles subject to chapter 82.44 RCW and trailer units exempt under *RCW 82.44.020(4) shall not be listed or assessed for ad valorem taxation so long as chapter 82.44 RCW remains in effect. All vessels of every class which are by law required to be registered, licensed or enrolled, must be assessed and the taxes thereon paid only in the county of their actual situs: PROVIDED, That such interest shall be taxed but once. All boats and small craft not required to be registered must be assessed in the county of their actual situs. [1998 c 321 § 42 (Referendum Bill No. 49, approved November 3, 1998); 1993 c 123 § 3; 1961 c 15 § 84.44.050. Prior: 1925 ex.s. c 130 § 17; RRS § 11121; prior: 1897 c 71 § 10; 1893 c 124 § 10; 1891 c 140 § 10; 1890 p 533 § 9.]

***Reviser's note:** RCW 82.44.020 was repealed by 2000 1st sp.s. c 1 § 2.

**Purpose—Severability—1998 c 321:** See notes following RCW 82.14.045.

Additional notes found at www.leg.wa.gov

**84.44.080 Owner moving into state or to another county after January 1st.** The owner of personal property removing from one county to another between the first day of January and the first day of July shall be assessed in either in which he or she is first called upon by the assessor. The owner of personal property moving into this state from another state between the first day of January and the first day of July shall list the property owned by him or her on the first day of January of such year in the county in which he or she resides: PROVIDED, That if such person has been assessed and can make it appear to the assessor that he or she is held for the tax of the current year on the property in another state or county, he or she shall not be again assessed for such year. [2013 c 23 § 367; 1961 c 15 § 84.44.080. Prior: 1939 c 206 § 13; 1925 ex.s. c 130 § 14; RRS § 11118; prior: 1891 c 140 § 7; 1890 p 534 § 13.]

**84.44.090 Disputes over situs to be determined by department of revenue.** In all questions that may arise under this title as to the proper place to list personal property, or where the same cannot be listed as stated in this title, if between several places in the same county, or between different counties, or places in different counties, the place for listing and assessing shall be determined and fixed by the department of revenue; and when fixed in either case shall be as binding as if fixed by this title. [1975 1st ex.s. c 278 § 205; 1961 c 15 § 84.44.090. Prior: 1925 ex.s. c 130 § 21; RRS § 11125; prior: 1897 c 71 § 14; 1893 c 124 § 14; 1891 c 140 § 14; 1890 p 535 § 14.]

Additional notes found at www.leg.wa.gov

## Chapter 84.48 RCW
## EQUALIZATION OF ASSESSMENTS

Sections



*Appeals from county board of equalization: RCW 84.08.130*

*Reconvening county board of equalization: RCW 84.08.060.*

**84.48.010 County board of equalization—Formation—Per diem—Meetings—Duties—Records—Correction of rolls—Extending taxes—Change in valuation, release or commutation of taxes by county legislative authority prohibited.** (1) Prior to July 15th, the county legislative authority must form a board for the equalization of the assessment of the property of the county. The members of the board must receive a per diem amount as set by the county legislative authority for each day of actual attendance of the meeting of the board of equalization to be paid out of the current expense fund of the county. However, when the county legislative authority constitutes the board they may only receive their compensation as members of the county legislative authority. The board of equalization must meet in open session for this purpose annually on the 15th day of July or within fourteen days of certification of the county assessment rolls, whichever is later, and, having each taken an oath fairly and impartially to perform their duties as members of such board, they must examine and compare the returns of the assessment of the property of the county and proceed to equalize the same, so that each tract or lot of real property and each article or class of personal property must be entered on the assessment list at its true and fair value, according to the measure of value used by the county assessor in such assessment year, which is presumed to be correct under RCW 84.40.0301, and subject to the following rules:

(a) They must raise the valuation of each tract or lot or item of real property which is returned below its true and fair value to such price or sum as to be the true and fair value thereof, after at least five days' notice must have been given in writing to the owner or agent.

(b) They must reduce the valuation of each tract or lot or item which is returned above its true and fair value to such price or sum as to be the true and fair value thereof.

(c) They must raise the valuation of each class of personal property which is returned below its true and fair value to such price or sum as to be the true and fair value thereof,

and they must raise the aggregate value of the personal property of each individual whenever the aggregate value is less than the true valuation of the taxable personal property possessed by such individual, to such sum or amount as to be the true value thereof, after at least five days' notice must have been given in writing to the owner or agent thereof.

(d) They must reduce the valuation of each class of personal property enumerated on the detail and assessment list of the current year, which is returned above its true and fair value, to such price or sum as to be the true and fair value thereof; and they must reduce the aggregate valuation of the personal property of such individual who has been assessed at too large a sum to such sum or amount as was the true and fair value of the personal property.

(e) The board may review all claims for either real or personal property tax exemption as determined by the county assessor, and must consider any taxpayer appeals from the decision of the assessor thereon to determine (i) if the taxpayer is entitled to an exemption, and (ii) if so, the amount thereof.

(2) The board must notify the taxpayer and assessor of the board's decision within forty-five days of any hearing on the taxpayer's appeal of the assessor's valuation of real or personal property.

(3) The clerk of the board must keep an accurate journal or record of the proceedings and orders of the board showing the facts and evidence upon which their action is based, and the record must be published the same as other proceedings of county legislative authority, and must make a true record of the changes of the descriptions and assessed values ordered by the county board of equalization. The assessor must correct the real and personal assessment rolls in accordance with the changes made by the county board of equalization.

(4) The county board of equalization must meet on the 15th day of July or within fourteen days of certification of the county assessment rolls, whichever is later, and may continue in session and adjourn from time to time during a period not to exceed four weeks, but must remain in session not less than three days. However, the county board of equalization with the approval of the county legislative authority may convene at any time when petitions filed exceed twenty-five, or ten percent of the number of appeals filed in the preceding year, whichever is greater.

(5) No taxes, except special taxes, may be extended upon the tax rolls until the property valuations are equalized by the department of revenue for the purpose of raising the state revenue.

(6) County legislative authorities as such have at no time any authority to change the valuation of the property of any person or to release or commute in whole or in part the taxes due on the property of any person. [2017 c 155 § 1; 2001 c 187 § 22; 1997 c 3 § 109 (Referendum Bill No. 47, approved November 4, 1997); 1988 c 222 § 20; 1979 c 13 § 1. Prior: 1977 ex.s. c 290 § 2; 1977 c 33 § 1; 1970 ex.s. c 55 § 2; 1961 c 15 § 84.48.010; prior: 1939 c 206 § 35; 1925 ex.s. c 130 § 68; RRS § 11220; prior: 1915 c 122 § 1; 1907 c 129 § 1; 1897 c 71 § 58; 1893 c 124 § 59; 1890 p 555 § 73; Code 1881 §§ 2873-2879. Formerly RCW 84.48.010, 84.48.020, 84.48.030, 84.48.040, and 84.48.060.]

Additional notes found at www.leg.wa.gov

**84.48.014 County board of equalization—Composition of board—Appointment—Qualifications.** The board of equalization of each county shall consist of not less than three nor more than seven members including alternates. Such members shall be appointed by a majority of the members of the county legislative authority, and shall be selected based upon the qualifications established by rule by the department of revenue and shall not be a holder of any elective office nor be an employee of any elected official: PROVIDED, HOWEVER, The county legislative authority may itself constitute the board at its discretion. Any member who does not attend the school required by RCW 84.48.042 within one year of appointment or reappointment shall be barred from serving as a member of the board of equalization unless this requirement is waived for the member by the department for just cause. [1988 c 222 § 21; 1970 ex.s. c 55 § 3.]

Additional notes found at www.leg.wa.gov

**84.48.018 County board of equalization—Chair—Quorum.** The members of each board of equalization shall meet and choose a chair. A majority of the board shall constitute a quorum. [2013 c 23 § 368; 1970 ex.s. c 55 § 4.]

Additional notes found at www.leg.wa.gov

**84.48.022 County board of equalization—Meetings.** All meetings of the board of equalization shall be held at the county courthouse, or other suitable place within the county, and the county legislative authority shall make provision for a suitable meeting place. [1994 c 124 § 26; 1970 ex.s. c 55 § 5.]

Additional notes found at www.leg.wa.gov

**84.48.026 County board of equalization—Terms—Removal.** The terms of each appointed member of the board shall be for three years or until their successors are appointed. Each appointed member may be removed by a majority vote of the county legislative authority. [1994 c 124 § 27; 1970 ex.s. c 55 § 6.]

Additional notes found at www.leg.wa.gov

**84.48.028 County board of equalization—Clerk—Assistants.** The board may appoint a clerk of the board and any assistants the board might need, all to serve at the pleasure of the members of the board, and the clerk or assistant shall attend all sessions thereof, and shall keep the record. Neither the assessor nor any of the assessor's staff may serve as clerk. [1994 c 124 § 28; 1970 ex.s. c 55 § 7.]

Additional notes found at www.leg.wa.gov

**84.48.032 County board of equalization—Appraisers.** The board may hire one or more appraisers accredited by the department of revenue or certified by the Washington state department of licensing, society of real estate appraisers, American institute of real estate appraisers, or international association of assessing officers, and not otherwise employed by the county, and other necessary personnel for the purpose of aiding the board and carrying out its functions and duties. In addition, the boards of the various counties may make reciprocal arrangements for the exchange of the appraisers with other counties. Such appraisers need not be

residents of the county. [1994 c 124 § 29; 1970 ex.s. c 55 § 8.]

Additional notes found at www.leg.wa.gov

**84.48.034 County board of equalization—Duration of order.** The board of equalization may enter an order that has effect up to the end of the assessment year, if there has been no intervening change in the value during that time. [2015 c 86 § 104; 1994 c 301 § 47.]

**84.48.036 County board of equalization—Annual budget.** The county legislative authority may provide an adequate annual budget and funds for operation and needs of the board of equalization, including, but not limited to the costs and expenses of the board, such as the meeting place, the necessary equipment and facilities, materials, the salaries of the clerk of the board and the clerk's assistants, the expenses of the members of the board during the sessions, travel, in-service training, and payment of salaries of all such employees hired by the board, to facilitate its work. [1994 c 124 § 30; 1970 ex.s. c 55 § 9.]

Additional notes found at www.leg.wa.gov

**84.48.038 County board of equalization—Legal advisor.** The prosecuting attorney of each county shall serve as legal advisor to the board of equalization. [1970 ex.s. c 55 § 10.]

Additional notes found at www.leg.wa.gov

**84.48.042 County board of equalization—Training school.** The department of revenue shall establish a school for the training of members of the several boards of equalization throughout the state. Sessions of such schools shall, so far as practicable, be held in each district of the Washington state association of counties. Every member of the board of equalization of each county shall attend such school within one year following appointment or reappointment. [1988 c 222 § 22; 1970 ex.s. c 55 § 11.]

Additional notes found at www.leg.wa.gov

**84.48.046 County board of equalization—Operating manual.** The department of revenue shall provide a manual for the operation procedures of the several boards of equalization so that uniformity of assessment may be obtained throughout the state, and the several boards of equalization shall follow such manual in all of its operations and procedures. [1970 ex.s. c 55 § 12.]

Additional notes found at www.leg.wa.gov

**84.48.050 Abstract of rolls—State action if assessor does not transmit, when.** (1) The county assessor must, on or before the fifteenth day of January in each year, prepare a complete abstract of the tax rolls of the county, showing the number of acres that have been assessed and the total value of the real property, including the structures on the real property; the total value of all taxable personal property in the county; the aggregate amount of all taxable property in the county; the total amount as equalized and the total amount of taxes levied in the county for state, county, city, and other taxing district purposes, for that year.

(2) If an assessor of any county fails to transmit to the department of revenue the abstract provided for in RCW 84.48.010, and if a county fails to collect and pay to the state its due proportion of the state tax for any year because of that failure, the department of revenue must ascertain what amount of state tax the county failed to collect. The department must certify to the county auditor the amount of state tax the county failed to collect. This sum is due and payable immediately by warrant in favor of the state on the current expense fund of the county. [2010 c 106 § 311; 1995 c 134 § 15. Prior: 1994 c 301 § 42; 1994 c 124 § 31; 1961 c 15 § 84.48.050; prior: 1925 ex.s. c 130 § 69; RRS § 11221; prior: 1890 p 557 § 74. Formerly RCW 84.48.050 and 84.48.070.]

Additional notes found at www.leg.wa.gov

**84.48.065 Cancellation and correction of erroneous assessments and assessments on property on which land use designation is changed.** (1)(a) The county assessor or treasurer may cancel or correct assessments on the assessment or tax rolls which are erroneous due to manifest errors in description, double assessments, clerical errors in extending the rolls, and such manifest errors in the listing of the property that do not involve a revaluation of property, except in the case that a taxpayer produces proof that an authorized land use authority has made a definitive change in the property's land use designation. In such a case, correction of the assessment or tax rolls may be made notwithstanding the fact that the action involves a revaluation of property. Manifest errors that do not involve a revaluation of property include the assessment of property exempted by law from taxation or the failure to deduct the exemption allowed by law to the head of a family. When the county assessor cancels or corrects an assessment, the assessor must send a notice to the taxpayer in accordance with RCW 84.40.045, advising the taxpayer that the action has been taken and notifying the taxpayer of the right to appeal the cancellation or correction to the county board of equalization, in accordance with RCW 84.40.038. When the county assessor or treasurer cancels or corrects an assessment, a record of the action must be prepared, setting forth therein the facts relating to the error. The record must also set forth by legal description all property belonging exclusively to the state, any county, or any municipal corporation whose property is exempt from taxation, upon which there remains, according to the tax roll, any unpaid taxes.

(b) Except as otherwise provided in this subsection (1)(b), no manifest error cancellation or correction, including a cancellation or correction made due to a definitive change of land use designation, may be made for any period more than three years preceding the year in which the error is discovered. However, a manifest error cancellation or correction may be made for a period more than three years preceding the year in which the error is discovered if authorized by the county legislative authority and the manifest error cancellation or correction would result in a refund or reduction of taxes for a property owner.

(2)(a) In the case of a definitive change of land use designation, an assessor must make corrections that involve a revaluation of property to the assessment roll when:

(i) The assessor and taxpayer have signed an agreement as to the true and fair value of the taxpayer's property setting

forth in the agreement the valuation information upon which the agreement is based; and

(ii) The assessment roll has previously been certified in accordance with RCW 84.40.320.

(b) In all other cases, an assessor must make corrections that involve a revaluation of property to the assessment roll when:

(i) The assessor and taxpayer have signed an agreement as to the true and fair value of the taxpayer's property setting forth in the agreement the valuation information upon which the agreement is based; and

(ii) The following conditions are met:

(A) The assessment roll has previously been certified in accordance with RCW 84.40.320;

(B) The taxpayer has timely filed a petition with the county board of equalization pursuant to RCW 84.40.038 for the current assessment year;

(C) The county board of equalization has not yet held a hearing on the merits of the taxpayer's petition.

(3) The assessor must issue a supplementary roll or rolls including such cancellations and corrections, and the assessment and levy have the same force and effect as if made in the first instance, and the county treasurer must proceed to collect the taxes due on the rolls as modified. [2015 c 174 § 2; 2001 c 187 § 23; 1997 c 3 § 110 (Referendum Bill No. 47, approved November 4, 1997); 1996 c 296 § 1; 1992 c 206 § 12; 1989 c 378 § 14; 1988 c 222 § 25.]

Additional notes found at www.leg.wa.gov

**84.48.075 County indicated ratio—Determination by department—Submission of preliminary ratio to assessor—Rules—Use classes—Review of preliminary ratio—Certification—Examination of assessment procedures—Adjustment of ratio.** (1) The department of revenue shall annually, prior to the first Monday in September, determine and submit to each assessor a preliminary indicated ratio for each county: PROVIDED, That the department shall establish rules and regulations pertinent to the determination of the indicated ratio, the indicated real property ratio and the indicated personal property ratio: PROVIDED FURTHER, That these rules and regulations may provide that data, as is necessary for said determination, which is available from the county assessor of any county and which has been audited as to its validity by the department, shall be utilized by the department in determining the indicated ratio.

(2) To such extent as is reasonable, the department may define use classes of property for the purposes of determination of the indicated ratio. Such use classes may be defined with respect to property use and may include agricultural, open space, timber and forestlands.

(3) The department shall review each county's preliminary ratio with the assessor, a landowner, or an owner of an intercounty public utility or private car company of that county, if requested by the assessor, a landowner, or an owner of an intercounty public utility or private car company of that county, respectively, between the first and third Mondays of September. Prior to equalization of assessments pursuant to RCW 84.48.080 and after the third Monday of September, the department shall certify to each county assessor the real and personal property ratio for that county.

(4) The department of revenue shall also examine procedures used by the assessor to assess real and personal property in the county, including calculations, use of prescribed value schedules, and efforts to locate all taxable property in the county. If any examination by the department discloses other than market value is being listed on the county assessment rolls of the county by the assessor and, after due notification by the department, is not corrected, the department of revenue shall, in accordance with rules adopted by the department, adjust the ratio of that type of property, which adjustment shall be used for determining the county's indicated ratio. [2001 c 187 § 24; 1997 c 3 § 111 (Referendum Bill No. 47, approved November 4, 1997); 1988 c 222 § 23; 1982 1st ex.s. c 46 § 7; 1977 ex.s. c 284 § 3.]

**Purpose—Intent—1977 ex.s. c 284:** "It is the intent of the legislature that the methodology used in the equalization of property values for the purposes of the state levy, public utility assessment, and other purposes, shall be designed to ensure uniformity and equity in taxation throughout the state to the maximum extent possible.

It is the purpose of this 1977 amendatory act to provide certain guidelines for the determination of the ratio of assessed value to the full true and fair value of the general property in each county." [1977 ex.s. c 284 § 1.]

Additional notes found at www.leg.wa.gov

**84.48.080 Equalization of assessments—Taxes for state purposes—Procedure—Levy and apportionment—Rules—Record.** (1) Annually during the months of September and October, the department of revenue shall examine and compare the returns of the assessment of the property in the several counties of the state, and the assessment of the property of railroad and other companies assessed by the department, and proceed to equalize the same, so that each county in the state shall pay its due and just proportion of the taxes for state purposes for such assessment year, according to the ratio the valuation of the property in each county bears to the total valuation of all property in the state.

(a) The department shall classify all property, real and personal, and shall raise and lower the valuation of any class of property in any county to a value that shall be equal, so far as possible, to the true and fair value of such class as of January 1st of the current year for the purpose of ascertaining the just amount of tax due from each county for state purposes. In equalizing personal property as of January 1st of the current year, the department shall use valuation data with respect to personal property from the three years immediately preceding the current assessment year in a manner it deems appropriate. Such classification may be on the basis of types of property, geographical areas, or both. For purposes of this section, for each county that has not provided the department with an assessment return by December 1st, the department shall proceed, using facts and information and in a manner it deems appropriate, to estimate the value of each class of property in the county.

(b) The department shall keep a full record of its proceedings and the same shall be published annually by the department.

(2) The department shall levy the state taxes authorized by law. The amount levied in any one year for general state purposes shall not exceed the lawful dollar rate on the dollar of the assessed value of the property of the entire state, which assessed value shall be one hundred percent of the true and fair value of the property in money.

(a) The department shall apportion the amount of tax for state purposes levied under RCW 84.52.065 (1) and (2) by the department, among the several counties, in proportion to the valuation of the taxable property of the county for the year as equalized by the department; however, for purposes of this apportionment, the department shall recompute the previous year's levies imposed under RCW 84.52.065 (1) and (2) and the apportionment thereof to correct for changes and errors in taxable values reported to the department after October 1 of the preceding year and shall adjust the apportioned amount of the current year's state levy under RCW 84.52.065 (1) and (2) for each county by the difference between the apportioned amounts established by the original and revised levy computations for the previous year's levies under RCW 84.52.065 (1) and (2).

(b) For purposes of this section, changes in taxable values mean a final adjustment made by a county board of equalization, the state board of tax appeals, or a court of competent jurisdiction and shall include additions of omitted property, other additions or deletions from the assessment or tax rolls, any assessment return provided by a county to the department subsequent to December 1st, or a change in the indicated ratio of a county. Errors in taxable values mean errors corrected by a final reviewing body.

(3) The department has authority to adopt rules and regulations to enforce obedience to its orders in all matters in relation to the returns of county assessments, the equalization of values, and the apportionment of the state levy by the department.

(4) After the completion of the duties prescribed in this section, the director of the department shall certify the record of the proceedings of the department under this section, the tax levies made for state purposes and the apportionment thereof among the counties, and the certification shall be available for public inspection. [2017 3rd sp.s. c 13 § 305; 2008 c 86 § 502; 2001 c 185 § 12; 1997 c 3 § 112 (Referendum Bill No. 47, approved November 4, 1997); 1995 2nd sp.s. c 13 § 3; 1994 c 301 § 43; 1990 c 283 § 1; 1988 c 222 § 24; 1982 1st ex.s. c 28 § 1; 1979 ex.s. c 86 § 3; 1973 1st ex.s. c 195 § 99; 1971 ex.s. c 288 § 9; 1961 c 15 § 84.48.080. Prior: 1949 c 66 § 1; 1939 c 206 § 36; 1925 ex.s. c 130 § 70; Rem. Supp. 1949 § 11222; prior: 1917 c 55 § 1; 1915 c 7 § 1; 1907 c 215 § 1; 1899 c 141 § 4; 1897 c 71 § 60; 1893 c 124 § 61; 1890 p 557 § 75. Formerly RCW 84.48.080, 84.48.090, and 84.48.100.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Reviser's note:** No proposed amendment to Article VII, section 1 of the state Constitution was submitted to the voters.

**Intent—1995 2nd sp.s. c 13:** "With property valuations continuing to increase, property taxes have been steadily increasing. At the same time, personal incomes have not continued to rise at the same rate. Property taxes are becoming increasingly more difficult to pay. Many residential property owners complain about the overall level of taxes and about the continuing increase in tax from year to year. Taxpayers want property tax relief. The legislature intends to establish an ongoing program of state property tax reductions the amount of which is to be determined by the legislature on a yearly basis based on the level of general fund tax revenues." [1995 2nd sp.s. c 13 § 1.]

Additional notes found at www.leg.wa.gov

**84.48.110 Transcript of proceedings to county assessors—Delinquent tax for certain preceding years included.** After certifying the record of the proceedings of the department in accordance with RCW 84.48.080, the department shall transmit to each county assessor a copy of the record of the proceedings of the department, specifying the amount to be levied and collected for state purposes for such year, and in addition thereto it shall certify to each county assessor the amount due to each state fund and unpaid from such county for the fifth preceding year, and such delinquent state taxes shall be added to the amount levied for the current year. The department shall close the account of each county for the fifth preceding year and charge the amount of such delinquency to the tax levies of the current year. These delinquent taxes are not subject to chapter 84.55 RCW. All taxes collected on and after the first day of July last preceding such certificate, on account of delinquent state taxes for the fifth preceding year shall belong to the county and by the county treasurer be credited to the current expense fund of the county in which collected. [2017 3rd sp.s. c 13 § 306. Prior: 1994 c 301 § 44; 1994 c 124 § 32; 1987 c 168 § 1; 1984 c 132 § 4; 1981 c 260 § 17; prior: 1979 ex.s. c 86 § 4; 1979 c 151 § 185; 1973 c 95 § 11; 1961 c 15 § 84.48.110; prior: 1925 ex.s. c 130 § 71; RRS § 11223; prior: 1899 c 141 § 5; 1897 c 71 § 61; 1893 c 124 § 62; 1890 p 558 § 76.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

Additional notes found at www.leg.wa.gov

**84.48.120 Extension of state taxes.** It shall be the duty of the assessor of each county, when the assessor shall have received from the state department of revenue the assessed valuation of the property of railroad and other companies assessed by the department of revenue and apportioned to the county, and placed the same on the tax rolls, and received the report of the department of revenue of the amount of taxes levied for state purposes, to compute the required percent on the assessed value of property in the county, and such state taxes shall be extended on the tax rolls. The rates so computed shall not be such as to raise a surplus of more than five percent over the total amount required by the department of revenue. Any surplus raised shall be remitted to the state in accordance with RCW 84.56.280. [1994 c 301 § 45; 1994 c 124 § 33; 1987 c 168 § 2; 1979 ex.s. c 86 § 5; 1975 1st ex.s. c 278 § 206; 1961 c 15 § 84.48.120. Prior: 1939 c 206 § 37; 1925 ex.s. c 130 § 72; RRS § 11224; prior: 1890 p 544 § 38.]

**Reviser's note:** This section was amended by 1994 c 124 § 33 and by 1994 c 301 § 45, each without reference to the other. Both amendments are incorporated in the publication of this section pursuant to RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

Additional notes found at www.leg.wa.gov

**84.48.130 Certification of assessed valuation to taxing districts.** It shall be the duty of the assessor of each county, when the assessor shall have received from the state department of revenue the certificate of the assessed valuation of the property of railroad and/or other companies assessed by the department of revenue and apportioned to the county, and shall have distributed the value so certified, to the several taxing districts in the county entitled to a proportionate value thereof, and placed the same upon the tax rolls of

the county, to certify to the county legislative authority and to the officers authorized by law to estimate expenditures and/or levy taxes for any taxing district coextensive with the county, the total assessed value of property in the county as shown by the completed tax rolls, and to certify to the officers authorized by law to estimate expenditures and/or levy taxes for each taxing district in the county not coextensive with the county, the total assessed value of the property in such taxing district. [1994 c 124 § 34; 1975 1st ex.s. c 278 § 207; 1961 c 15 § 84.48.130. Prior: 1939 c 206 § 38; 1925 ex.s. c 130 § 73; RRS § 11234.]

Additional notes found at www.leg.wa.gov

**84.48.140 Property tax advisor.** The county legislative authority of any county may designate one or more persons to act as a property tax advisor to any person liable for payment of property taxes in the county. A person designated as a property tax advisor shall not be an employee of the assessor's office or have been associated in any way with the determination of any valuation of property for taxation purposes that may be the subject of an appeal. A person designated as a property tax advisor may be compensated on a fee basis or as an employee by the county from any funds available to the county for use in property evaluation including funds available from the state for use in the property tax revaluation program.

The property tax advisor shall perform such duties as may be set forth by resolution of the county legislative authority.

If any county legislative authority elects to designate a property tax advisor, it shall publicize the services available. [1994 c 124 § 35; 1971 ex.s. c 288 § 11.]

Additional notes found at www.leg.wa.gov

**84.48.150 Valuation criteria including comparative sales to be made available to taxpayer—Change.** (1) The assessor must, upon the request of any taxpayer who petitions the board of equalization for review of a tax claim or valuation dispute, make available to said taxpayer a compilation of comparable sales utilized by the assessor in establishing such taxpayer's property valuation. If valuation criteria other than comparable sales were used, the assessor must furnish the taxpayer with such other factors and the addresses of such other property used in making the determination of value.

(2) The assessor must within sixty days of such request but at least twenty-one business days, excluding legal holidays, prior to such taxpayer's appearance before the board of equalization make available to the taxpayer the valuation criteria and/or comparable sales that may not be subsequently changed by the assessor unless the assessor has found new evidence supporting the assessor's valuation, in which situation the assessor must provide such additional evidence to the taxpayer and the board of equalization at least twenty-one business days prior to the hearing at the board of equalization. A taxpayer who lists comparable sales on a notice of appeal may not subsequently change such sales unless the taxpayer has found new evidence supporting the taxpayer's proposed valuation in which case the taxpayer must provide such additional evidence to the assessor and board of equalization at least twenty-one business days, excluding legal holidays, prior to the hearing. If either the assessor or taxpayer does not meet the requirements of this section the board of equalization may continue the hearing to provide the parties an opportunity to review all evidence or, upon objection, refuse to consider sales not submitted in a timely manner. [2018 c 24 § 1; 1994 c 301 § 46; 1973 1st ex.s. c 30 § 1.]

**84.48.200 Rules.** The department of revenue shall make such rules consistent with this chapter as shall be necessary or desirable to permit its effective administration. The rules may provide for changes of venue for the various boards of equalization. [1988 c 222 § 26.]

## Chapter 84.52 RCW
## LEVY OF TAXES

Sections

*Levy for refunds: RCW 84.68.040.*

*Levy for services for persons with developmental disabilities or mental health services: RCW 71.20.110.*

**84.52.010 Taxes levied or voted in specific amounts—Effect of constitutional and statutory limitations.** ***(Effective until January 1, 2027.)*** (1) Except as is permitted under RCW 84.55.050, all taxes must be levied or voted in specific amounts.

(2) The rate percent of all taxes for state and county purposes, and purposes of taxing districts coextensive with the county, must be determined, calculated and fixed by the county assessors of the respective counties, within the limitations provided by law, upon the assessed valuation of the property of the county, as shown by the completed tax rolls of the county, and the rate percent of all taxes levied for purposes of taxing districts within any county must be determined, calculated and fixed by the county assessors of the respective counties, within the limitations provided by law, upon the assessed valuation of the property of the taxing districts respectively.

(3) When a county assessor finds that the aggregate rate of tax levy on any property, that is subject to the limitations set forth in RCW 84.52.043 or 84.52.050, exceeds the limitations provided in either of these sections, the assessor must recompute and establish a consolidated levy in the following manner:

(a) The full certified rates of tax levy for state, county, county road district, regional transit authority, and city or town purposes must be extended on the tax rolls in amounts not exceeding the limitations established by law; however, any state levy takes precedence over all other levies and may not be reduced for any purpose other than that required by RCW 84.55.010. If, as a result of the levies imposed under RCW 36.54.130, 36.69.145 by a park and recreation district described under (a)(vii) of this subsection (3), 84.34.230, 84.52.069, 84.52.105, the portion of the levy by a metropolitan park district that was protected under RCW 84.52.120, 84.52.125, 84.52.135, and 84.52.140, and the portion of the levy by a flood control zone district that was protected under RCW 84.52.816, the combined rate of regular property tax levies that are subject to the one percent limitation exceeds one percent of the true and fair value of any property, then these levies must be reduced as follows:

(i) The portion of the levy by a flood control zone district that was protected under RCW 84.52.816 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(ii) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the levy imposed by a county under RCW 84.52.140 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(iii) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the portion of the levy by a fire protection district or regional fire protection service authority that is protected under RCW 84.52.125 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(iv) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the levy imposed by a county under RCW 84.52.135 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(v) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the levy imposed by a ferry district under RCW 36.54.130 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(vi) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the portion of the levy by a metropolitan park district that is protected under RCW 84.52.120 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(vii) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, then the levies imposed under RCW 36.69.145 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated. This subsection (3)(a)(vii) only applies to a park and recreation district located on an island and within a county with a population exceeding 2,000,000;

(viii) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, then the levies imposed under RCW 84.34.230, 84.52.105, and any portion of the levy imposed under RCW 84.52.069 that is in excess of 30 cents per $1,000 of assessed value, must be reduced on a pro rata basis until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated; and

(ix) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, then the 30 cents per $1,000 of assessed value of tax levy imposed under RCW 84.52.069 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or eliminated.

(b) The certified rates of tax levy subject to these limitations by all junior taxing districts imposing taxes on such property must be reduced or eliminated as follows to bring the consolidated levy of taxes on such property within the provisions of these limitations:

(i) First, the certified property tax levy authorized under RCW 84.52.821 must be reduced on a pro rata basis or eliminated;

(ii) Second, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates of those junior taxing districts authorized under RCW 36.68.525, 36.69.145 except a park and recreation district described under (a)(vii) of this subsection, 35.95A.100, and 67.38.130 must be reduced on a pro rata basis or eliminated;

(iii) Third, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates of flood control zone districts other than the portion of a levy protected under RCW 84.52.816 must be reduced on a pro rata basis or eliminated;

(iv) Fourth, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates of all other junior taxing districts, other than fire protection districts, regional fire protection service authorities, library districts, the first 50 cent[s] per $1,000 of assessed valuation levies for metropolitan park districts, and the first 50 cent[s] per $1,000 of assessed valuation levies for public hospital districts, must be reduced on a pro rata basis or eliminated;

(v) Fifth, if the consolidated tax levy rate still exceeds these limitations, the first 50 cent[s] per $1,000 of assessed valuation levies for metropolitan park districts created on or after January 1, 2002, must be reduced on a pro rata basis or eliminated;

(vi) Sixth, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates authorized to fire protection districts under RCW 52.16.140 and 52.16.160 and regional fire protection service authorities under RCW 52.26.140(1) (b) and (c) must be reduced on a pro rata basis or eliminated; and

(vii) Seventh, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates authorized for fire protection districts under RCW 52.16.130, regional fire protection service authorities under RCW 52.26.140(1)(a), library districts, metropolitan park districts created before January 1, 2002, under their first 50 cent[s] per $1,000 of assessed valuation levy, and public hospital districts under their first 50 cent[s] per $1,000 of assessed valuation levy, must be reduced on a pro rata basis or eliminated. [2021 c 117 § 2; 2017 c 196 § 10; (2017 c 196 § 9 expired January 1, 2018). Prior: 2015 3rd sp.s. c 44 § 325; (2015 3rd sp.s. c 44 § 324 expired January 1, 2018); 2015 3rd sp.s. c 24 § 405; (2015 3rd sp.s. c 24 § 404 expired January 1, 2018); 2015 c 170 § 2; (2011 1st sp.s. c 28 § 2 expired January 1, 2018); (2011 c 275 § 1 expired January 1, 2018); 2009 c 551 § 7; 2007 c 54 § 26; 2005 c 122 § 2; prior: 2004 c 129 § 21; 2004 c 80 § 3; 2003 c 83 § 310; prior: 2002 c 248 § 15; 2002 c 88 § 7; 1995 2nd sp.s. c 13 § 4; 1995 c 99 § 2; 1994 c 124 § 36; 1993 c 337 § 4; 1990 c 234 § 4; 1988 c 274 § 7; 1987 c 255 § 1; 1973 1st ex.s. c 195 § 101; 1973 1st ex.s. c 195 § 146; 1971 ex.s. c 243 § 6; 1970 ex.s. c 92 § 4; 1961 c 15 § 84.52.010; prior: 1947 c 270 § 1; 1925 ex.s. c 130 § 74; Rem. Supp. 1947 § 11235; prior: 1920 ex.s. c 3 § 1; 1897 c 71 § 62; 1893 c 124 § 63.]

**Application—Expiration date—2021 c 117:** See notes following RCW 36.69.145.

**Effective date—2017 c 196 § 10:** "Section 10 of this act takes effect January 1, 2018." [2017 c 196 § 17.]

**Expiration date—2017 c 196 § 9:** "Section 9 of this act expires January 1, 2018." [2017 c 196 § 16.]

**Effective date—2017 c 196 §§ 1-9, 11, 13, and 14:** See note following RCW 52.26.220.

**Application—2017 c 196 §§ 3 and 9-13:** See note following RCW 84.55.092.

**Effective date—2015 3rd sp.s. c 44 §§ 323 and 325:** See note following RCW 84.52.043.

**Expiration date—2015 3rd sp.s. c 44 §§ 322 and 324:** See note following RCW 84.52.043.

**Effective date—2015 3rd sp.s. c 44:** See note following RCW 46.68.395.

**Effective date—2015 3rd sp.s. c 24 § 405:** "Section 405 of this act takes effect January 1, 2018." [2015 3rd sp.s. c 24 § 806.]

**Expiration date—2015 3rd sp.s. c 24 § 404:** "Section 404 of this act expires January 1, 2018." [2015 3rd sp.s. c 24 § 805.]

**Construction—2015 3rd sp.s. c 24:** See note following RCW 36.160.030.

**Effective date—Findings—Intent—Application—2015 c 170:** See notes following RCW 84.52.816.

**Findings—Intent—Captions, part headings not law—Severability—Effective date—2003 c 83:** See notes following RCW 36.57A.200.

**Intent—1995 2nd sp.s. c 13:** See note following RCW 84.48.080.

**Finding—1993 c 337:** See note following RCW 84.52.105.

**Purpose—1988 c 274:** "The legislature finds that, due to statutory and constitutional limitations, the interdependence of the regular property tax levies of the state, counties, county road districts, cities and towns, and junior taxing districts can cause significant reductions in the otherwise authorized levies of those taxing districts, resulting in serious disruptions to essential services provided by those taxing districts. The purpose of this act is to avoid unnecessary reductions in regular property tax revenue without exceeding existing statutory and constitutional tax limitations on cumulative regular property tax levy rates. The legislature declares that it is a purpose of the state, counties, county road districts, cities and towns, public hospital districts, library districts, fire protection districts, metropolitan park districts, and other taxing districts to participate in the methods provided by this act by which revenue levels supporting the services provided by all taxing districts might be maintained." [1988 c 274 § 1.]

**Intent—1970 ex.s. c 92:** "It is the intent of this 1970 amendatory act to prevent a potential doubling of property taxes that might otherwise result from the enforcement of the constitutionally required fifty percent assessment ratio as of January 1, 1970, and to adjust property tax millage rates for subsequent years to levels which will conform to the requirements of any constitutional amendment imposing a one percent limitation on property taxes. It is the further intent of this 1970 amendatory act that the statutory authority of any taxing district to impose excess levies shall not be impaired by reason of the reduction in millage rates for regular property tax levies. This 1970 amendatory act shall be construed to effectuate the legislative intent expressed in this section." [1970 ex.s. c 92 § 1.]

Additional notes found at www.leg.wa.gov

**84.52.010 Taxes levied or voted in specific amounts—Effect of constitutional and statutory limitations.** ***(Effective January 1, 2027.)*** (1) Except as is permitted under RCW

84.55.050, all taxes must be levied or voted in specific amounts.

(2) The rate percent of all taxes for state and county purposes, and purposes of taxing districts coextensive with the county, must be determined, calculated and fixed by the county assessors of the respective counties, within the limitations provided by law, upon the assessed valuation of the property of the county, as shown by the completed tax rolls of the county, and the rate percent of all taxes levied for purposes of taxing districts within any county must be determined, calculated and fixed by the county assessors of the respective counties, within the limitations provided by law, upon the assessed valuation of the property of the taxing districts respectively.

(3) When a county assessor finds that the aggregate rate of tax levy on any property, that is subject to the limitations set forth in RCW 84.52.043 or 84.52.050, exceeds the limitations provided in either of these sections, the assessor must recompute and establish a consolidated levy in the following manner:

(a) The full certified rates of tax levy for state, county, county road district, regional transit authority, and city or town purposes must be extended on the tax rolls in amounts not exceeding the limitations established by law; however any state levy takes precedence over all other levies and may not be reduced for any purpose other than that required by RCW 84.55.010. If, as a result of the levies imposed under RCW 36.54.130, 84.34.230, 84.52.069, 84.52.105, the portion of the levy by a metropolitan park district that was protected under RCW 84.52.120, 84.52.125, 84.52.135, and 84.52.140, and the portion of the levy by a flood control zone district that was protected under RCW 84.52.816, the combined rate of regular property tax levies that are subject to the one percent limitation exceeds one percent of the true and fair value of any property, then these levies must be reduced as follows:

(i) The portion of the levy by a flood control zone district that was protected under RCW 84.52.816 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(ii) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the levy imposed by a county under RCW 84.52.140 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(iii) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the portion of the levy by a fire protection district or regional fire protection service authority that is protected under RCW 84.52.125 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(iv) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the levy imposed by a county under RCW 84.52.135 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(v) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the levy imposed by a ferry district under RCW 36.54.130 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(vi) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the portion of the levy by a metropolitan park district that is protected under RCW 84.52.120 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

(vii) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, then the levies imposed under RCW 84.34.230, 84.52.105, and any portion of the levy imposed under RCW 84.52.069 that is in excess of thirty cents per thousand dollars of assessed value, must be reduced on a pro rata basis until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated; and

(viii) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, then the thirty cents per thousand dollars of assessed value of tax levy imposed under RCW 84.52.069 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or eliminated.

(b) The certified rates of tax levy subject to these limitations by all junior taxing districts imposing taxes on such property must be reduced or eliminated as follows to bring the consolidated levy of taxes on such property within the provisions of these limitations:

(i) First, the certified property tax levy authorized under RCW 84.52.821 must be reduced on a pro rata basis or eliminated;

(ii) Second, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates of those junior taxing districts authorized under RCW 36.68.525, 36.69.145, 35.95A.100, and 67.38.130 must be reduced on a pro rata basis or eliminated;

(iii) Third, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates of flood control zone districts other than the portion of a levy protected under RCW 84.52.816 must be reduced on a pro rata basis or eliminated;

(iv) Fourth, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates of all other junior taxing districts, other than fire protection districts, regional fire protection service authorities, library districts, the first fifty cent[s] per thousand dollars of assessed valuation levies for metropolitan park districts, and the first fifty cent[s] per thousand dollars of assessed valuation levies for public hospital districts, must be reduced on a pro rata basis or eliminated;

(v) Fifth, if the consolidated tax levy rate still exceeds these limitations, the first fifty cent[s] per thousand dollars of assessed valuation levies for metropolitan park districts cre-

ated on or after January 1, 2002, must be reduced on a pro rata basis or eliminated;

(vi) Sixth, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates authorized to fire protection districts under RCW 52.16.140 and 52.16.160 and regional fire protection service authorities under RCW 52.26.140(1) (b) and (c) must be reduced on a pro rata basis or eliminated; and

(vii) Seventh, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates authorized for fire protection districts under RCW 52.16.130, regional fire protection service authorities under RCW 52.26.140(1)(a), library districts, metropolitan park districts created before January 1, 2002, under their first fifty cent[s] per thousand dollars of assessed valuation levy, and public hospital districts under their first fifty cent[s] per thousand dollars of assessed valuation levy, must be reduced on a pro rata basis or eliminated. [2017 c 196 § 10; (2017 c 196 § 9 expired January 1, 2018). Prior: 2015 3rd sp.s. c 44 § 325; (2015 3rd sp.s. c 44 § 324 expired January 1, 2018); 2015 3rd sp.s. c 24 § 405; (2015 3rd sp.s. c 24 § 404 expired January 1, 2018); 2015 c 170 § 2; (2011 1st sp.s. c 28 § 2 expired January 1, 2018); (2011 c 275 § 1 expired January 1, 2018); 2009 c 551 § 7; 2007 c 54 § 26; 2005 c 122 § 2; prior: 2004 c 129 § 21; 2004 c 80 § 3; 2003 c 83 § 310; prior: 2002 c 248 § 15; 2002 c 88 § 7; 1995 2nd sp.s. c 13 § 4; 1995 c 99 § 2; 1994 c 124 § 36; 1993 c 337 § 4; 1990 c 234 § 4; 1988 c 274 § 7; 1987 c 255 § 1; 1973 1st ex.s. c 195 § 101; 1973 1st ex.s. c 195 § 146; 1971 ex.s. c 243 § 6; 1970 ex.s. c 92 § 4; 1961 c 15 § 84.52.010; prior: 1947 c 270 § 1; 1925 ex.s. c 130 § 74; Rem. Supp. 1947 § 11235; prior: 1920 ex.s. c 3 § 1; 1897 c 71 § 62; 1893 c 124 § 63.]

**Effective date—2017 c 196 § 10:** "Section 10 of this act takes effect January 1, 2018." [2017 c 196 § 17.]

**Expiration date—2017 c 196 § 9:** "Section 9 of this act expires January 1, 2018." [2017 c 196 § 16.]

**Effective date—2017 c 196 §§ 1-9, 11, 13, and 14:** See note following RCW 52.26.220.

**Application—2017 c 196 §§ 3 and 9-13:** See note following RCW 84.55.092.

**Effective date—2015 3rd sp.s. c 44 §§ 323 and 325:** See note following RCW 84.52.043.

**Expiration date—2015 3rd sp.s. c 44 §§ 322 and 324:** See note following RCW 84.52.043.

**Effective date—2015 3rd sp.s. c 44:** See note following RCW 46.68.395.

**Effective date—2015 3rd sp.s. c 24 § 405:** "Section 405 of this act takes effect January 1, 2018." [2015 3rd sp.s. c 24 § 806.]

**Expiration date—2015 3rd sp.s. c 24 § 404:** "Section 404 of this act expires January 1, 2018." [2015 3rd sp.s. c 24 § 805.]

**Construction—2015 3rd sp.s. c 24:** See note following RCW 36.160.030.

**Effective date—Findings—Intent—Application—2015 c 170:** See notes following RCW 84.52.816.

**Findings—Intent—Captions, part headings not law—Severability—Effective date—2003 c 83:** See notes following RCW 36.57A.200.

**Intent—1995 2nd sp.s. c 13:** See note following RCW 84.48.080.

**Finding—1993 c 337:** See note following RCW 84.52.105.

**Purpose—1988 c 274:** "The legislature finds that, due to statutory and constitutional limitations, the interdependence of the regular property tax levies of the state, counties, county road districts, cities and towns, and junior taxing districts can cause significant reductions in the otherwise authorized levies of those taxing districts, resulting in serious disruptions to essential services provided by those taxing districts. The purpose of this act is to avoid unnecessary reductions in regular property tax revenue without exceeding existing statutory and constitutional tax limitations on cumulative regular property tax levy rates. The legislature declares that it is a purpose of the state, counties, county road districts, cities and towns, public hospital districts, library districts, fire protection districts, metropolitan park districts, and other taxing districts to participate in the methods provided by this act by which revenue levels supporting the services provided by all taxing districts might be maintained." [1988 c 274 § 1.]

**Intent—1970 ex.s. c 92:** "It is the intent of this 1970 amendatory act to prevent a potential doubling of property taxes that might otherwise result from the enforcement of the constitutionally required fifty percent assessment ratio as of January 1, 1970, and to adjust property tax millage rates for subsequent years to levels which will conform to the requirements of any constitutional amendment imposing a one percent limitation on property taxes. It is the further intent of this 1970 amendatory act that the statutory authority of any taxing district to impose excess levies shall not be impaired by reason of the reduction in millage rates for regular property tax levies. This 1970 amendatory act shall be construed to effectuate the legislative intent expressed in this section." [1970 ex.s. c 92 § 1.]

Additional notes found at www.leg.wa.gov

**84.52.018 Calculation of tax levy rates when the assessment of highly valued property is in dispute.** Whenever any property value or claim for exemption or cancellation of a property assessment is appealed to the state board of tax appeals or court of competent jurisdiction and the dollar difference between the total value asserted by the taxpayer and the total value asserted by the opposing party exceeds one-fourth of one percent of the total assessed value of property in the county, the assessor shall use only that portion of the total value which is not in controversy for purposes of computing the levy rates and extending the tax on the tax roll in accordance with this chapter, unless the state board of tax appeals has issued its determination at the time of extending the tax.

When the state board of tax appeals or court of competent jurisdiction makes its final determination, the proper amount of tax shall be extended and collected for each taxing district if this has not already been done. The amount of tax collected and extended shall include interest at the rate of nine percent per year on the amount of the board's final determination minus the amount not in controversy. The interest shall accrue from the date the taxes on the amount not in controversy were first due and payable. Any amount extended in excess of that permitted by chapter 84.55 RCW shall be held in abeyance and used to reduce the levy rates of the next succeeding levy. [1994 c 124 § 37; 1989 c 378 § 15; 1987 c 156 § 1.]

**84.52.020 City and district budgets to be filed with county legislative authority.** It shall be the duty of the city council or other governing body of every city, other than a city having a population of three hundred thousand or more, the board of directors of school districts of the first class, the superintendent of each educational service district for each constituent second-class school district, commissioners of port districts, commissioners of metropolitan park districts, and of all officials or boards of taxing districts within or coextensive with any county required by law to certify to the county legislative authority, for the purpose of levying district taxes, budgets or estimates of the amounts to be raised by taxation on the assessed valuation of the property in the city or district, through their chair and clerk, or secretary, to make

and file such certified budget or estimates with the clerk of the county legislative authority on or before the thirtieth day of November. [2005 c 52 § 1; 1994 c 81 § 85; 1988 c 222 § 27; 1975-'76 2nd ex.s. c 118 § 33; 1975 c 43 § 33; 1961 c 15 § 84.52.020. Prior: 1939 c 37 § 1; 1925 ex.s. c 130 § 75; RRS § 11236; prior: 1909 c 138 § 1; 1893 c 71 §§ 2, 3.]

Additional notes found at www.leg.wa.gov

**84.52.025 Budgets of taxing districts filed with county commissioners to indicate estimate of cash balance.** The governing body of all taxing districts within or coextensive with any county, which are required by law to certify to a board of county commissioners, for the purpose of levying district taxes, budgets or estimates of the amounts to be raised by taxation on the assessed valuation of the property in the district, shall clearly indicate an estimate of cash balance at the beginning and ending of each budget period in said budget or estimate. [1961 c 52 § 1.]

**84.52.030 Time of levy.** For the purpose of raising revenue for state, county, and other taxing district purposes, the county legislative authority of each county, and all other officials or boards authorized by law to levy taxes for taxing district purposes, must levy taxes on all the taxable property in the county or district, as the case may be, sufficient for such purposes, and within the limitations permitted by law. [2010 c 106 § 312; 1994 c 124 § 38; 1961 c 15 § 84.52.030. Prior: 1927 c 303 § 1; 1925 ex.s. c 130 § 77; RRS § 11238; prior: 1903 c 165 § 1; 1897 c 71 § 63; 1893 c 124 § 64; 1890 p 559 § 78; Code 1881 § 2880.]

Additional notes found at www.leg.wa.gov

**84.52.040 Levies to be made on assessed valuation.** Whenever any taxing district or the officers thereof shall, pursuant to any provision of law or of its charter or ordinances, levy any tax, the assessed value of the property of such taxing district shall be taken and considered as the taxable value upon which such levy shall be made. [1961 c 15 § 84.52.040. Prior: 1919 c 142 § 3; RRS § 11228.]

**84.52.043 Limitations upon regular property tax levies.** ***(Effective until January 1, 2027.)*** Within and subject to the limitations imposed by RCW 84.52.050 as amended, the regular ad valorem tax levies upon real and personal property by the taxing districts hereafter named are as follows:

(1) Levies of the senior taxing districts are as follows: (a) The levies by the state may not exceed the applicable aggregate rate limit specified in RCW 84.52.065 (2) or (4) adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue to be used exclusively for the support of the common schools; (b) the levy by any county may not exceed one dollar and 80 cents per $1,000 of assessed value; (c) the levy by any road district may not exceed two dollars and 25 cents per $1,000 of assessed value; and (d) the levy by any city or town may not exceed three dollars and 37.5 cents per $1,000 of assessed value. However, any county is hereby authorized to increase its levy from one dollar and 80 cents to a rate not to exceed two dollars and 47.5 cents per $1,000 of assessed value for general county purposes if the total levies for both the county and any road district within the county do not exceed four dollars and five cents per $1,000 of assessed value, and no other taxing district has its levy reduced as a result of the increased county levy.

(2) The aggregate levies of junior taxing districts and senior taxing districts, other than the state, may not exceed five dollars and 90 cents per $1,000 of assessed valuation. The term "junior taxing districts" includes all taxing districts other than the state, counties, road districts, cities, towns, port districts, and public utility districts. The limitations provided in this subsection do not apply to: (a) Levies at the rates provided by existing law by or for any port or public utility district; (b) excess property tax levies authorized in Article VII, section 2 of the state Constitution; (c) levies for acquiring conservation futures as authorized under RCW 84.34.230; (d) levies for emergency medical care or emergency medical services imposed under RCW 84.52.069; (e) levies to finance affordable housing imposed under RCW 84.52.105; (f) the portions of levies by metropolitan park districts that are protected under RCW 84.52.120; (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies for criminal justice purposes under RCW 84.52.135; (i) the portions of levies by fire protection districts and regional fire protection service authorities that are protected under RCW 84.52.125; (j) levies by counties for transit-related purposes under RCW 84.52.140; (k) the portion of the levy by flood control zone districts that are protected under RCW 84.52.816; (l) levies imposed by a regional transit authority under RCW 81.104.175; and (m) levies imposed by any park and recreation district described under RCW 84.52.010(3)(a)(vii). [2021 c 117 § 3; 2020 c 253 § 3; 2017 3rd sp.s. c 13 § 304; (2017 3rd sp.s. c 13 § 303 expired January 1, 2018); 2017 c 196 § 12; (2017 c 196 § 11 expired January 1, 2018); 2015 3rd sp.s. c 44 § 323; (2015 3rd sp.s. c 44 § 322 expired January 1, 2018); 2015 c 170 § 4; (2011 c 275 § 2 expired January 1, 2018); 2009 c 551 § 6; 2005 c 122 § 3; 2004 c 80 § 4; 2003 c 83 § 311; 1995 c 99 § 3; 1993 c 337 § 3; 1990 c 234 § 1; 1989 c 378 § 36; 1988 c 274 § 5; 1973 1st ex.s. c 195 § 134.]

**Application—Expiration date—2021 c 117:** See notes following RCW 36.69.145.

**Effective date—2020 c 253:** See note following RCW 84.52.105.

**Effective date—2017 3rd sp.s. c 13 § 304:** "Section 304 of this act takes effect January 1, 2018." [2017 3rd sp.s. c 13 § 319.]

**Expiration date—2017 3rd sp.s. c 13 § 303:** "Section 303 of this act expires January 1, 2018." [2017 3rd sp.s. c 13 § 318.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Effective date—2017 c 196 § 12:** "Section 12 of this act takes effect January 1, 2018." [2017 c 196 § 20.]

**Expiration date—2017 c 196 § 11:** "Section 11 of this act expires January 1, 2018." [2017 c 196 § 19.]

**Effective date—2017 c 196 §§ 1-9, 11, 13, and 14:** See note following RCW 52.26.220.

**Application—2017 c 196 §§ 3 and 9-13:** See note following RCW 84.55.092.

**Effective date—2015 3rd sp.s. c 44 §§ 323 and 325:** "Sections 323 and 325 of this act take effect January 1, 2018." [2015 3rd sp.s. c 44 § 432.]

**Expiration date—2015 3rd sp.s. c 44 §§ 322 and 324:** "Sections 322 and 324 of this act expire January 1, 2018." [2015 3rd sp.s. c 44 § 431.]

**Effective date—2015 3rd sp.s. c 44:** See note following RCW 46.68.395.

**Effective date—Findings—Intent—Application—2015 c 170:** See notes following RCW 84.52.816.

**Findings—Intent—Captions, part headings not law—Severability—Effective date—2003 c 83:** See notes following RCW 36.57A.200.

**Finding—1993 c 337:** See note following RCW 84.52.105.

**Purpose—Severability—1988 c 274:** See notes following RCW 84.52.010.

Additional notes found at www.leg.wa.gov

**84.52.043 Limitations upon regular property tax levies.** ***(Effective January 1, 2027.)*** Within and subject to the limitations imposed by RCW 84.52.050 as amended, the regular ad valorem tax levies upon real and personal property by the taxing districts hereafter named are as follows:

(1) Levies of the senior taxing districts are as follows: (a) The levies by the state may not exceed the applicable aggregate rate limit specified in RCW 84.52.065 (2) or (4) adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue to be used exclusively for the support of the common schools; (b) the levy by any county may not exceed one dollar and eighty cents per thousand dollars of assessed value; (c) the levy by any road district may not exceed two dollars and twenty-five cents per thousand dollars of assessed value; and (d) the levy by any city or town may not exceed three dollars and thirty-seven and one-half cents per thousand dollars of assessed value. However any county is hereby authorized to increase its levy from one dollar and eighty cents to a rate not to exceed two dollars and forty-seven and one-half cents per thousand dollars of assessed value for general county purposes if the total levies for both the county and any road district within the county do not exceed four dollars and five cents per thousand dollars of assessed value, and no other taxing district has its levy reduced as a result of the increased county levy.

(2) The aggregate levies of junior taxing districts and senior taxing districts, other than the state, may not exceed five dollars and ninety cents per thousand dollars of assessed valuation. The term "junior taxing districts" includes all taxing districts other than the state, counties, road districts, cities, towns, port districts, and public utility districts. The limitations provided in this subsection do not apply to: (a) Levies at the rates provided by existing law by or for any port or public utility district; (b) excess property tax levies authorized in Article VII, section 2 of the state Constitution; (c) levies for acquiring conservation futures as authorized under RCW 84.34.230; (d) levies for emergency medical care or emergency medical services imposed under RCW 84.52.069; (e) levies to finance affordable housing imposed under RCW 84.52.105; (f) the portions of levies by metropolitan park districts that are protected under RCW 84.52.120; (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies for criminal justice purposes under RCW 84.52.135; (i) the portions of levies by fire protection districts and regional fire protection service authorities that are protected under RCW 84.52.125; (j) levies by counties for transit-related purposes under RCW 84.52.140; (k) the portion of the levy by flood control zone districts that are protected under RCW 84.52.816; and (l) levies imposed by a regional transit authority under RCW 81.104.175. [2020 c 253 § 3; 2017 3rd sp.s. c 13 § 304; (2017 3rd sp.s. c 13 § 303 expired January 1, 2018); 2017 c 196 § 12; (2017 c 196 § 11 expired January 1, 2018); 2015 3rd sp.s. c 44 § 323; (2015 3rd sp.s. c 44 § 322 expired January 1, 2018); 2015 c 170 § 4; (2011 c 275 § 2 expired January 1, 2018); 2009 c 551 § 6; 2005 c 122 § 3; 2004 c 80 § 4; 2003 c 83 § 311; 1995 c 99 § 3; 1993 c 337 § 3; 1990 c 234 § 1; 1989 c 378 § 36; 1988 c 274 § 5; 1973 1st ex.s. c 195 § 134.]

**Effective date—2020 c 253:** See note following RCW 84.52.105.

**Effective date—2017 3rd sp.s. c 13 § 304:** "Section 304 of this act takes effect January 1, 2018." [2017 3rd sp.s. c 13 § 319.]

**Expiration date—2017 3rd sp.s. c 13 § 303:** "Section 303 of this act expires January 1, 2018." [2017 3rd sp.s. c 13 § 318.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Effective date—2017 c 196 § 12:** "Section 12 of this act takes effect January 1, 2018." [2017 c 196 § 20.]

**Expiration date—2017 c 196 § 11:** "Section 11 of this act expires January 1, 2018." [2017 c 196 § 19.]

**Effective date—2017 c 196 §§ 1-9, 11, 13, and 14:** See note following RCW 52.26.220.

**Application—2017 c 196 §§ 3 and 9-13:** See note following RCW 84.55.092.

**Effective date—2015 3rd sp.s. c 44 §§ 323 and 325:** "Sections 323 and 325 of this act take effect January 1, 2018." [2015 3rd sp.s. c 44 § 432.]

**Expiration date—2015 3rd sp.s. c 44 §§ 322 and 324:** "Sections 322 and 324 of this act expire January 1, 2018." [2015 3rd sp.s. c 44 § 431.]

**Effective date—2015 3rd sp.s. c 44:** See note following RCW 46.68.395.

**Effective date—Findings—Intent—Application—2015 c 170:** See notes following RCW 84.52.816.

**Findings—Intent—Captions, part headings not law—Severability—Effective date—2003 c 83:** See notes following RCW 36.57A.200.

**Finding—1993 c 337:** See note following RCW 84.52.105.

**Purpose—Severability—1988 c 274:** See notes following RCW 84.52.010.

Additional notes found at www.leg.wa.gov

**84.52.044 Limitations upon regular property tax levies—Participating fire protection jurisdictions.** (1) If a fire protection district is a participating fire protection jurisdiction in a regional fire protection service authority, the regular property tax levies of the fire protection district are limited as follows:

(a) The regular levy of the district under RCW 52.16.130 shall not exceed fifty cents per thousand dollars of assessed value of taxable property in the district less the amount of any levy imposed by the authority under RCW 52.26.140(1)(a);

(b) The levy of the district under RCW 52.16.140 shall not exceed fifty cents per thousand dollars of assessed value of taxable property in the district less the amount of any levy imposed by the authority under RCW 52.26.140(1)(b); and

(c) The levy of the district under RCW 52.16.160 shall not exceed fifty cents per thousand dollars of assessed value of taxable property in the district less the amount of any levy imposed by the authority under RCW 52.26.140(1)(c).

(2) If a city or town is a participating fire protection jurisdiction in a regional fire protection service authority, the regular levies of the city or town shall not exceed the applicable rates provided in RCW 27.12.390, 52.04.081, and 84.52.043(1) less the aggregate rates of any regular levies made by the authority under RCW 52.26.140(1).

(3) If a port district is a participating fire protection jurisdiction in a regional fire protection service authority, the regular levy of the port district under RCW 53.36.020 shall not exceed forty-five cents per thousand dollars of assessed value of taxable property in the district less the aggregate rates of any regular levies imposed by the authority under RCW 52.26.140(1).

(4) For purposes of this section, the following definitions apply:

(a) "Fire protection jurisdiction" means a fire protection district, city, town, Indian tribe, or port district; and

(b) "Participating fire protection jurisdiction" means a fire protection district, city, town, Indian tribe, or port district that is represented on the governing board of a regional fire protection service authority or annexed into a regional fire protection service authority. [2011 c 271 § 3; 2011 c 141 § 4; 2004 c 129 § 20.]

**84.52.050 Limitation of levies.** Except as hereinafter provided, the aggregate of all tax levies upon real and personal property by the state and all taxing districts, now existing or hereafter created, shall not in any year exceed one percentum of the true and fair value of such property in money: PROVIDED, HOWEVER, That nothing herein shall prevent levies at the rates now provided by law by or for any port or public utility district. The term "taxing district" for the purposes of this section shall mean any political subdivision, municipal corporation, district, or other governmental agency authorized by law to levy, or have levied for it, ad valorem taxes on property, other than a port or public utility district. Such aggregate limitation or any specific limitation imposed by law in conformity therewith may be exceeded only as authorized by law and in conformity with the provisions of Article VII, section 2(a), (b), or (c) of the Constitution of the state of Washington.

Nothing herein contained shall prohibit the legislature from allocating or reallocating the authority to levy taxes between the taxing districts of the state and its political subdivisions in a manner which complies with the aggregate tax limitation set forth in this section. [1973 1st ex.s. c 194 § 1; 1973 c 2 § 1 (Initiative Measure No. 44, approved November 7, 1972). Prior: 1972 ex.s. c 124 § 8; 1971 ex.s. c 299 § 24; 1970 ex.s. c 92 § 5; 1970 ex.s. c 8 § 4; prior: 1969 ex.s. c 262 § 65; 1969 ex.s. c 216 § 1; 1967 ex.s. c 133 § 3; 1961 c 143 § 1; 1961 c 15 § 84.52.050; prior: 1957 c 262 § 1; 1953 c 175 § 1; 1951 2nd ex.s. c 23 § 2; 1951 c 255 § 1, part; 1950 ex.s. c 11 § 1, part; 1945 c 253 § 1, part; 1941 c 176 § 1, part; 1939 c 83 § 1, part; 1939 c 2 (Initiative Measure No. 129); 1937 c 1 (Initiative Measure No. 114); 1935 c 2 (Initiative Measure No. 94); 1933 c 4 (Initiative Measure No. 64); cf. RRS § 11238, 11238-1a, 11238-1b, 11238-1c, 11238-1d; Rem. Supp. 1941 § 11238; Rem. Supp. 1945 § 11238-1e.]

**Intent—Effective date—Application—1970 ex.s. c 92:** See notes following RCW 84.52.010.

*Limitation on levies: State Constitution Art. 7 § 2.*

*State levy for support of common schools: RCW 84.52.065 and 84.52.067.*

Additional notes found at www.leg.wa.gov

**84.52.0502 Rules for administration.** The department of revenue shall adopt such rules consistent with chapter 274, Laws of 1988 as shall be necessary or desirable to permit its effective administration. [2000 c 103 § 29; 1988 c 274 § 9.]

**Purpose—Severability—1988 c 274:** See notes following RCW 84.52.010.

**84.52.052 Excess levies authorized—When—Procedure.** The limitations imposed by RCW 84.52.050 through 84.52.056, and RCW 84.52.043 shall not prevent the levy of additional taxes by any taxing district, except school districts and fire protection districts, in which a larger levy is necessary in order to prevent the impairment of the obligation of contracts. As used in this section, the term "taxing district" means any county, metropolitan park district, park and recreation service area, park and recreation district, water-sewer district, solid waste disposal district, public facilities district, flood control zone district, county rail district, service district, public hospital district, road district, rural county library district, island library district, rural partial-county library district, intercounty rural library district, cemetery district, city, town, transportation benefit district, emergency medical service district with a population density of less than one thousand per square mile, cultural arts, stadium, and convention district, ferry district, city transportation authority, or regional fire protection service authority.

Any such taxing district may levy taxes at a rate in excess of the rate specified in RCW 84.52.050 through 84.52.056 and 84.52.043, or 84.55.010 through 84.55.050, when authorized so to do by the voters of such taxing district in the manner set forth in Article VII, section 2(a) of the Constitution of this state at a special or general election to be held in the year in which the levy is made.

A special election may be called and the time therefor fixed by the county legislative authority, or council, board of commissioners, or other governing body of any such taxing district, by giving notice thereof by publication in the manner provided by law for giving notices of general elections, at which special election the proposition authorizing such excess levy shall be submitted in such form as to enable the voters favoring the proposition to vote "yes" and those opposed thereto to vote "no." [2004 c 129 § 22; 2003 c 83 § 312. Prior: 2002 c 248 § 16; 2002 c 180 § 1; 1996 c 230 § 1615; 1993 c 284 § 4; 1991 c 138 § 1; 1989 c 53 § 4; 1988 ex.s. c 1 § 18; prior: 1983 c 315 § 10; 1983 c 303 § 16; 1983 c 130 § 11; 1983 c 2 § 19; prior: 1982 1st ex.s. c 22 § 17; 1982 c 175 § 7; 1982 c 123 § 19; 1981 c 210 § 20; 1977 ex.s. c 325 § 1; 1977 c 4 § 1; 1973 1st ex.s. c 195 § 102; 1973 1st ex.s. c 195 § 147; 1973 c 3 § 1; 1971 ex.s. c 288 § 26; 1965 ex.s. c 113 § 1; 1963 c 112 § 1; 1961 c 15 § 84.52.052; prior: 1959 c 304 § 8; 1959 c 290 § 1; 1957 c 58 § 15; 1957 c 32 § 1; 1955 c 93 § 1; 1953 c 189 § 1; 1951 2nd ex.s. c 23 § 3; prior: 1951 c 255 § 1, part; 1950 ex.s. c 11 § 1, part; 1945 c 253 § 1, part; 1941 c 176 § 1, part; 1939 c 83 § 1, part; 1939 c 2 (Init. Meas. No. 129); 1937 c 1 (Init. Meas. No. 114); 1935 c 2 (Init. Meas. No. 94); 1933 c 4 (Init. Meas. No. 64); Rem. Supp. 1945 § 11238-1e, part.]

**Findings—Intent—Captions, part headings not law—Severability—Effective date—2003 c 83:** See notes following RCW 36.57A.200.

Additional notes found at www.leg.wa.gov

**84.52.053 Levies by school districts authorized—When—Procedure.** (1) The limitations imposed by RCW

84.52.050 through 84.52.056, and 84.52.043 shall not prevent the levy of taxes by school districts, when authorized so to do by the voters of such school district in the manner and for the purposes and number of years allowable under Article VII, section 2(a) and Article IX, section 1 of the Constitution of this state. Elections for such taxes shall be held in the year in which the levy is made or, in the case of propositions authorizing two-year through four-year levies for enrichment funding for a school district, authorizing two-year levies for transportation vehicle funds established in RCW 28A.160.130 or authorizing two-year through six-year levies to support the construction, modernization, or remodeling of school facilities, which includes the purposes of RCW 28A.320.330(2) (f) and (g), in the year in which the first annual levy is made.

(2)(a) Once additional tax levies have been authorized for enrichment funding for a school district for a two-year through four-year period as provided under subsection (1) of this section, no further additional tax levies for enrichment funding for the district for that period may be authorized, except for additional levies to provide for subsequently enacted increases affecting the district's maximum levy.

(b) Notwithstanding (a) of this subsection, any school district that is required to annex or receive territory pursuant to a dissolution of a financially insolvent school district pursuant to RCW 28A.315.225 may call either a replacement or supplemental levy election within the school district, including the territory annexed or transferred, as follows:

(i) An election for a proposition authorizing two-year through four-year levies for enrichment funding for a school district may be called and held before the effective date of dissolution to replace existing enrichment levies and to provide for increases due to the dissolution.

(ii) An election for a proposition authorizing additional tax levies may be called and held before the effective date of dissolution to provide for increases due to the dissolution.

(iii) In the event a replacement levy election under (b)(i) of this subsection is held but does not pass, the affected school district may subsequently hold a supplemental levy election pursuant to (b)(ii) of this subsection if the supplemental levy election is held before the effective date of dissolution. In the event a supplemental levy election is held under (b)(ii) of this subsection but does not pass, the affected school district may subsequently hold a replacement levy election pursuant to (b)(i) of this subsection if the replacement levy election is held before the effective date of dissolution. Failure of a replacement levy or supplemental levy election does not affect any previously approved and existing enrichment levy within the affected school district or districts.

(c) For the purpose of applying the limitation of this subsection (2), a two-year through six-year levy to support the construction, modernization, or remodeling of school facilities shall not be deemed to be a tax levy for enrichment funding for a school district.

(3) A special election may be called and the time therefor fixed by the board of school directors, by giving notice thereof by publication in the manner provided by law for giving notices of general elections, at which special election the proposition authorizing such excess levy shall be submitted in such form as to enable the voters favoring the proposition to vote "yes" and those opposed thereto to vote "no."

(4)(a) Beginning September 1, 2018, school districts may use enrichment levies solely to enrich the state's statutory program of basic education as authorized under RCW 28A.150.276.

(b) Beginning with propositions for enrichment levies for collection in calendar year 2020 and thereafter, a district must receive approval of an enrichment levy expenditure plan from the superintendent of public instruction under RCW 28A.505.240 before submission of the proposition to the voters. [2018 c 266 § 306; 2017 3rd sp.s. c 13 § 201; 2012 c 186 § 18; 2010 c 237 § 4; 2009 c 460 § 2; 2007 c 129 § 3; 1997 c 260 § 1; 1994 c 116 § 1; 1987 1st ex.s. c 2 § 103; 1986 c 133 § 1; 1977 ex.s. c 325 § 3.]

**Effective date—2017 3rd sp.s. c 13 §§ 201, 203, 206, and 207:** See note following RCW 84.52.0531.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Effective date—2012 c 186:** See note following RCW 28A.315.025.

**Rule-making authority—2012 c 186:** See RCW 28A.315.902.

**Intent—2010 c 237:** See note following RCW 84.52.0531.

**Intent—2007 c 129:** See note following RCW 28A.320.330.

**Intent—Severability—Effective date—1987 1st ex.s. c 2:**See notes following RCW 84.52.0531.

*School district boundary changes: RCW 84.09.037.*

*School district funds: RCW 28A.320.330.*

Additional notes found at www.leg.wa.gov

**84.52.0531 Enrichment levies by school districts—Maximum dollar amount—Enrichment levy expenditure plan approval—Rules—Deposit of funds.** (1) Beginning with taxes levied for collection in 2020, the maximum dollar amount which may be levied by or for any school district for enrichment levies under RCW 84.52.053 is equal to the lesser of two dollars and fifty cents per thousand dollars of the assessed value of property in the school district or the maximum per-pupil limit. This maximum dollar amount shall be reduced accordingly as provided under RCW 43.09.2856(2).

(2) The definitions in this subsection apply to this section unless the context clearly requires otherwise.

(a) For the purpose of this section, "inflation" means the percentage change in the seasonally adjusted consumer price index for all urban consumers, Seattle area, for the most recent 12-month period as of September 25th of the year before the taxes are payable, using the official current base compiled by the United States bureau of labor statistics.

(b) "Maximum per-pupil limit" means:

(i) Two thousand five hundred dollars, as increased by inflation beginning with property taxes levied for collection in 2020, multiplied by the number of average annual full-time equivalent students enrolled in the school district in the prior school year, for school districts with fewer than forty thousand annual full-time equivalent students enrolled in the school district in the prior school year; or

(ii) Three thousand dollars, as increased by inflation beginning with property taxes levied for collection in 2020, multiplied by the number of average annual full-time equivalent students enrolled in the school district in the prior school year, for school districts with forty thousand or more annual full-time equivalent students enrolled in the school district in the prior school year.

(c) "Open for in-person instruction to all students" means that all students in all grades have the option to participate in at least 40 hours of planned in-person instruction per month and the school follows state department of health guidance and recommendations for resuming in-person instruction to the greatest extent practicable.

(d) "Prior school year" means the most recent school year completed prior to the year in which the levies are to be collected, except as follows:

(i) In the 2022 calendar year, if 2019-20 school year average annual full-time equivalent enrollment is greater than the school district's 2020-21 school year average annual full-time equivalent enrollment and the school district is open for in-person instruction to all students by the beginning of the 2021-22 school year, "prior school year" means the 2019-20 school year.

(ii) In the 2023 calendar year, if 2019-20 school year average annual full-time equivalent enrollment is greater than the school district's 2021-22 school year average annual full-time equivalent enrollment and the school district was open for in-person instruction to all students by the beginning of the 2021-22 school year, "prior school year" means the 2019-20 school year.

(3) For districts in a high/nonhigh relationship, the enrollments of the nonhigh students attending the high school shall only be counted by the nonhigh school districts for purposes of funding under this section.

(4) For school districts participating in an innovation academy cooperative established under RCW 28A.340.080, enrollments of students attending the academy shall be adjusted so that each participant district receives its proportional share of student enrollments for purposes of funding under this section.

(5) Beginning with propositions for enrichment levies for collection in calendar year 2020 and thereafter, a district must receive approval of an enrichment levy expenditure plan under RCW 28A.505.240 before submission of the proposition to the voters.

(6) The superintendent of public instruction shall develop rules and regulations and inform school districts of the pertinent data necessary to carry out the provisions of this section.

(7) Beginning with taxes levied for collection in 2018, enrichment levy revenues must be deposited in a separate subfund of the school district's general fund pursuant to RCW 28A.320.330, and for the 2018-19 school year are subject to the restrictions of RCW 28A.150.276 and the audit requirements of RCW 43.09.2856.

(8) Funds collected from levies for transportation vehicles, construction, modernization, or remodeling of school facilities as established in RCW 84.52.053 are not subject to the levy limitations in subsections (1) through (5) of this section. [2022 c 108 § 3. Prior: 2021 c 221 § 2; 2021 c 145 § 22; 2019 c 410 § 2; 2018 c 266 § 307; 2017 3rd sp.s. c 13 § 203; (2017 3rd sp.s. c 13 § 202 expired January 1, 2019); 2017 c 6 § 3; (2017 c 6 § 2 expired January 1, 2019); (2013 c 242 § 8 expired January 1, 2019); (2012 1st sp.s. c 10 § 8 expired January 1, 2019); prior: 2010 c 237 § 2; (2010 c 237 § 1 expired January 1, 2019); 2010 c 99 § 11; (2010 c 99 § 10 expired January 1, 2012); (2009 c 4 § 908 expired January 1, 2012); (2006 c 119 § 2 expired January 1, 2019); (2004 c 21 § 2 expired January 1, 2019); 1997 c 259 § 2; 1995 1st sp.s. c 11 § 1; 1994 c 116 § 2; 1993 c 465 § 1; 1992 c 49 § 1; 1990 c 33 § 601; 1989 c 141 § 1; 1988 c 252 § 1; 1987 1st ex.s. c 2 § 101; 1987 c 185 § 40; 1985 c 374 § 1; prior: 1981 c 264 § 10; 1981 c 168 § 1; 1979 ex.s. c 172 § 1; 1977 ex.s. c 325 § 4.]

**Intent—2022 c 108:** "The legislature recognizes that the COVID-19 pandemic has impacted the delivery of education across the state, as school districts resume in-person instructional models with heightened efforts to protect the health and well-being of students and staff and address the pandemic's impact on student learning. The legislature also recognizes that state funding formulas are largely driven by enrollment, and the pandemic has resulted in unforeseen, temporary enrollment declines in many districts. Funding declines due to temporary, unforeseen changes in enrollment can affect a district's ability to maintain the staffing and resources needed to deliver education services. Stabilization funding in the 2020-21 school year provided important support for schools to maintain services amid enrollment declines. With this act and in the omnibus operating appropriations act, the legislature intends to extend stabilizing funding to districts that have seen temporary enrollment declines due to the COVID-19 pandemic for the final time." [2022 c 108 § 1.]

**Effective date—2022 c 108:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [March 23, 2022]." [2022 c 108 § 5.]

**Intent—2021 c 221:** "The legislature recognizes that the COVID-19 pandemic has significantly changed the delivery of education across the state, as school districts transition to remote learning environments to protect the health of students and staff. The legislature also recognizes that state funding formulas are largely driven by enrollment and the pandemic has resulted in unforeseen, temporary enrollment declines in many districts. Funding declines due to temporary, unforeseen changes in enrollment can affect a district's ability to maintain the staffing and resources needed to deliver education services. With this act and in the operating budget, the legislature intends to provide stabilizing funding to districts that have seen temporary enrollment declines due to the COVID-19 pandemic." [2021 c 221 § 1.]

**Effective date—2018 c 266 §§ 303 and 307:** See note following RCW 28A.500.015.

**Effective date—2017 3rd sp.s. c 13 §§ 201, 203, 206, and 207:** "Sections 201, 203, 206, and 207 of this act take effect January 1, 2019." [2017 3rd sp.s. c 13 § 210.]

**Effective date—2017 3rd sp.s. c 13 § 202:** "Section 202 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [July 6, 2017]." [2017 3rd sp.s. c 13 § 212.]

**Expiration date—2017 3rd sp.s. c 13 § 202:** "Section 202 of this act expires January 1, 2019." [2017 3rd sp.s. c 13 § 209.]

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Effective date—2017 c 6 § 3:** "Section 3 of this act takes effect January 1, 2019." [2017 c 6 § 12.]

**Effective date—2017 c 6 § 2:** "Section 2 of this act takes effect January 1, 2018." [2017 c 6 § 10.]

**Expiration date—2017 c 6 § 2:** "Section 2 of this act expires January 1, 2019." [2017 c 6 § 11.]

**Intent—2017 c 6:** "The legislature recognizes that school districts may provide locally funded enrichment to the state's program of basic education. The legislature further recognizes that the system of state and local funding for school districts is in transition during 2017, with the state moving toward full funding of its statutory program of basic education, and with current statutory policies on school district levies scheduled to expire at the end of calendar year 2017. To promote school districts' ability to plan for the future during this transitional period, the legislature intends to extend current statutory policies on local enrichment through calendar year 2018." [2017 c 6 § 1.]

**Expiration date—2017 c 6; 2013 c 242 § 8:** "Section 8 of this act expires January 1, 2019." [2017 c 6 § 4; 2013 c 242 § 10.]

**Purpose—Construction—2012 1st sp.s. c 10:** "(1) Legislation enacted in 2009 (chapter 548, Laws of 2009) and in 2010 (chapter 236, Laws of 2010) revised the definition of the program of basic education, established new methods for distributing state funds to school districts to support this

program of basic education, and provided an outline of specific enhancements to the program of basic education that are required to be implemented by 2018. In order to meet the required deadlines to implement full funding of the enhancements, the joint task force in section 2 of this act is created to develop and recommend options for a permanent funding mechanism.

(2) Initiative Measure No. 728 (chapter 3, Laws of 2001) dedicated a portion of state revenues to fund class size reductions and other education improvements. Because class size reductions and similar improvements are incorporated in the reforms that were enacted in chapter 548, Laws of 2009, and chapter 236, Laws of 2010, and that are being incrementally implemented through 2018, Initiative Measure No. 728 is repealed in order to make these dedicated revenues available for implementation of basic education reform and to facilitate the funding reform recommendations of the joint task force in section 2 of this act.

(3) Nothing in chapter 10, Laws of 2012 1st sp. sess. alters or amends the elements included in the school district levy base set forth in RCW 84.52.0531." [2012 1st sp.s. c 10 § 1.]

**Expiration date—2017 c 6; 2012 1st sp.s. c 10 § 8:** "Section 8 of this act expires January 1, 2019." [2017 c 6 § 5; 2012 1st sp.s. c 10 § 10.]

**Expiration date—2017 c 6; 2010 c 237 §§ 1, 5, and 6:** "Sections 1, 5, and 6 of this act expire January 1, 2019." [2017 c 6 § 6; 2010 c 237 § 9.]

**Intent—2010 c 237:** "The legislature recognizes that school districts request voter approval for two-year through four-year levies based on their projected levy capacities at the time that the levies are submitted to the voters. It is the intent of the legislature to permit school districts with voter-approved maintenance and operation levies to seek an additional approval from the voters, if subsequently enacted legislation would permit a higher levy." [2010 c 237 § 3.]

**Effective date—2017 c 6; 2010 c 237 § 2:** "Section 2 of this act takes effect January 1, 2019." [2017 c 6 § 8; 2010 c 237 § 10.]

**Findings—Intent—2010 c 99:** See note following RCW 28A.340.080.

**Expiration date—2017 c 6; 2010 c 237; 2006 c 119; 2004 c 21:** "This act expires January 1, 2019." [2017 c 6 § 7; 2010 c 237 § 8; 2006 c 119 § 3; 2004 c 21 § 3.]

**Purpose—Statutory references—Severability—1990 c 33:** See RCW 28A.900.100 through 28A.900.102.

**Intent—1987 1st ex.s. c 2:** "The legislature intends to establish the limitation on school district maintenance and operations levies at twenty percent, with ten percent to be equalized on a statewide basis. The legislature further intends to establish a modern school financing system for compensation of school staff and provide a class size reduction in grades kindergarten through three. The legislature intends to give the highest funding priority to strengthening support for existing school programs.

The legislature finds that providing for the adoption of a statewide salary allocation schedule for certificated instructional staff will encourage recruitment and retention of able individuals to the teaching profession, and limit the administrative burden associated with implementing state teacher salary policies." [1987 1st ex.s. c 2 § 1.]

**Intent—Severability—1987 c 185:** See notes following RCW 51.12.130.

*Payments to high school districts for educating nonhigh school district students: Chapter 28A.545 RCW.*

*Purposes: RCW 28A.545.030.*

*Rules to effect purposes and implement provisions: RCW 28A.545.110.*

*Superintendent's annual determination of estimated amount due—Process: RCW 28A.545.070.*

Additional notes found at www.leg.wa.gov

**84.52.054 Excess levies—Ballot contents—Eventual dollar rate on tax rolls.** The additional tax provided for in Article VII, section 2 of the state Constitution, and specifically authorized by RCW 84.52.052, 84.52.053, 84.52.0531, and 84.52.130, shall be set forth in terms of dollars on the ballot of the proposition to be submitted to the voters, together with an estimate of the dollar rate of tax levy that will be required to produce the dollar amount; and the county assessor, in spreading this tax upon the rolls, shall determine the eventual dollar rate required to produce the amount of dollars so voted upon, regardless of the estimate of dollar rate of tax levy carried in said proposition. In the case of a school district or fire protection district proposition for a particular period, the dollar amount and the corresponding estimate of the dollar rate of tax levy shall be set forth for each of the years in that period. The dollar amount for each annual levy in the particular period may be equal or in different amounts. [2007 c 54 § 27; 1986 c 133 § 2; 1977 ex.s. c 325 § 2; 1977 c 4 § 2; 1973 1st ex.s. c 195 § 103; 1961 c 15 § 84.52.054. Prior: 1955 c 105 § 1.]

Additional notes found at www.leg.wa.gov

**84.52.056 Excess levies for capital purposes authorized.** (1) Any municipal corporation otherwise authorized by law to issue general obligation bonds for capital purposes may, at an election duly held after giving notice thereof as required by law, authorize the issuance of general obligation bonds for capital purposes only, which does not include the replacement of equipment, and provide for the payment of the principal and interest of such bonds by annual levies in excess of the tax limitations contained in RCW 84.52.050 to 84.52.056, inclusive and RCW 84.52.043. Such an election may not be held more often than twice a calendar year, and the proposition to issue any such bonds and to exceed the tax limitation must receive the affirmative vote of a three-fifths majority of those voting on the proposition and the total number of persons voting at the election must constitute not less than forty percent of the voters in the municipal corporation who voted at the last preceding general state election.

(2) Any taxing district has the right by vote of its governing body to refund any general obligation bonds of said district issued for capital purposes only, and to provide for the interest thereon and amortization thereof by annual levies in excess of the tax limitations provided for in RCW 84.52.050 to 84.52.056, inclusive and RCW 84.52.043.

(3) For the purposes of this section, "bond" includes a municipal corporation's obligation to make payments to the state in connection with a financing contract entered into by the state by or on behalf of a municipal corporation under chapter 39.94 RCW. [2010 c 115 § 3; 1973 1st ex.s. c 195 § 104; 1973 1st ex.s. c 195 § 148; 1961 c 15 § 84.52.056. Prior: 1959 c 290 § 2; 1951 2nd ex.s. c 23 § 4; prior: 1951 c 255 § 1, part; 1950 ex.s. c 11 § 1, part; 1945 c 253 § 1, part; 1941 c 176 § 1, part; 1939 c 83 § 1, part; 1939 c 2 (Init. Meas. No. 129); 1937 c 1 (Init. Meas. No. 114); 1935 c 2 (Init. Meas. No. 94); 1933 c 4 (Init. Meas. No. 64); Rem. Supp. 1945 § 11238-1e, part.]

Additional notes found at www.leg.wa.gov

**84.52.058 School districts with high/nonhigh relationship.** For districts in a high/nonhigh relationship, if the high school district is subject to the maximum per pupil limit under RCW 84.52.0531, the high school district's maximum levy amount must be reduced by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy. [2018 c 266 § 305.]

**84.52.063 Rural library district levies.** A rural library district may impose a regular property tax levy in an amount

equal to that which would be produced by a levy of fifty cents per thousand dollars of assessed value multiplied by an assessed valuation equal to one hundred percent of the true and fair value of the taxable property in the rural library district, as determined by the department of revenue's indicated county ratio: PROVIDED, That when any county assessor shall find that the aggregate rate of levy on any property will exceed the limitation set forth in RCW 84.52.043 and 84.52.050, as now or hereafter amended, before recomputing and establishing a consolidated levy in the manner set forth in RCW 84.52.010, the assessor shall first reduce the levy of any rural library district, by such amount as may be necessary, but the levy of any rural library district shall not be reduced to less than fifty cents per thousand dollars against the value of the taxable property, as determined by the county, prior to any further adjustments pursuant to RCW 84.52.010. For purposes of this section "regular property tax levy" shall mean a levy subject to the limitations provided for in Article VII, section 2 of the state Constitution and/or by statute. [2001 c 187 § 25; 1997 c 3 § 125 (Referendum Bill No. 47, approved November 4, 1997); 1973 1st ex.s. c 195 § 105; 1973 1st ex.s. c 195 § 150; 1970 ex.s. c 92 § 9.]

**Intent—Effective date—Application—1970 ex.s. c 92:** See notes following RCW 84.52.010.

Additional notes found at www.leg.wa.gov

**84.52.065 State levy for support of common schools.** (1) Except as otherwise provided in this section, subject to the limitations in RCW 84.55.010, in each year the state must levy for collection in the following year for the support of common schools of the state a tax of three dollars and sixty cents per thousand dollars of assessed value upon the assessed valuation of all taxable property within the state adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.

(2)(a) In addition to the tax authorized under subsection (1) of this section, the state must levy an additional property tax for the support of common schools of the state.

(i) For taxes levied for collection in calendar years 2018 through 2021, the rate of tax is the rate necessary to bring the aggregate rate for state property tax levies levied under this subsection and subsection (1) of this section to a combined rate of two dollars and forty cents per thousand dollars of assessed value in calendar year 2019 and two dollars and seventy cents per thousand dollars of assessed value in calendar years 2018, 2020, and 2021. The state property tax levy rates provided in this subsection (2)(a)(i) are based upon the assessed valuation of all taxable property within the state adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.

(ii) For taxes levied for collection in calendar year 2022 and thereafter, the tax authorized under this subsection (2) is subject to the limitations of chapter 84.55 RCW.

(b)(i) Except as otherwise provided in this subsection, all taxes collected under this subsection (2) must be deposited into the state general fund.

(ii) For fiscal year 2019, taxes collected under this subsection (2) must be deposited into the education legacy trust account for the support of common schools.

(3) For taxes levied for collection in calendar years 2019 through 2021, the state property taxes levied under subsections (1) and (2) of this section are not subject to the limitations in chapter 84.55 RCW.

(4)(a) For taxes levied for collection in calendar year 2022 and thereafter, the aggregate rate limit for state property taxes levied under subsections (1) and (2) of this section is three dollars and sixty cents per thousand dollars of assessed value upon the assessed valuation of all taxable property within the state adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.

(b) If the aggregate rate of state property taxes levied under subsections (1) and (2) of this section for collection in any calendar year after 2021 exceeds $3.60 per $1,000 of assessed value, each rate must be reduced on a pro rata basis until the aggregate rate no longer exceeds $3.60 per $1,000 of assessed value.

(5) For property taxes levied for collection in calendar years 2019 through 2021, the rate of tax levied under subsection (1) of this section is the actual rate that was levied for collection in calendar year 2018 under subsection (1) of this section.

(6) As used in this section, "the support of common schools" includes the payment of the principal and interest on bonds issued for capital construction projects for the common schools. [2022 c 56 § 13; 2019 c 411 § 1; 2018 c 295 § 1; 2017 3rd sp.s. c 13 § 301; 1991 sp.s. c 31 § 16; 1979 ex.s. c 218 § 1; 1973 1st ex.s. c 195 § 106; 1971 ex.s. c 299 § 25; 1969 ex.s. c 216 § 2; 1967 ex.s. c 133 § 1.]

**Effective date—2019 c 411 §§ 1 and 2:** "Sections 1 and 2 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately [May 21, 2019]." [2019 c 411 § 8.]

**Application—2017 3rd sp.s. c 13 §§ 301-314:** "Sections 301 through 314 of this act apply beginning with taxes levied for collection in 2018 and thereafter." [2017 3rd sp.s. c 13 § 317.]

**Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** "RCW 82.32.805 and 82.32.808 do not apply to sections 301 through 314, chapter 13, Laws of 2017 3rd sp. sess." [2017 3rd sp.s. c 13 § 316.]

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

*Limitation of levies: RCW 84.52.050.*

Additional notes found at www.leg.wa.gov

**84.52.067 State levy for support of common schools—Disposition of funds.** Property taxes levied by the state under RCW 84.52.065(1) for the support of common schools must be paid into the general fund of the state treasury as provided in RCW 84.56.280. Property taxes levied by the state under RCW 84.52.065(2) for the support of common schools shall be paid into the state general fund in the state treasury as provided in RCW 84.52.065(2). [2017 3rd sp.s. c 13 § 313; 2009 c 479 § 73; 2001 c 3 § 7 (Initiative Measure No. 728, approved November 7, 2000); 1967 ex.s. c 133 § 2.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Short title—Purpose—Intent—Construction—Effective dates—2001 c 3 (Initiative Measure No. 728):** See notes following RCW 67.70.240.

Additional notes found at www.leg.wa.gov

**84.52.069 Emergency medical care and service levies.** (1) As used in this section, "taxing district" means a county, emergency medical service district, city or town, public hospital district, urban emergency medical service district, regional fire protection service authority, or fire protection district.

(2) Except as provided in subsection (10) of this section, a taxing district may impose additional regular property tax levies in an amount equal to fifty cents or less per thousand dollars of the assessed value of property in the taxing district. The tax is imposed (a) each year for six consecutive years, (b) each year for ten consecutive years, or (c) permanently. Except as otherwise provided in this subsection, a permanent tax levy under this section, or the initial imposition of a six-year or ten-year levy under this section, must be specifically authorized by a majority of at least three-fifths of the registered voters thereof approving a proposition authorizing the levies submitted at a general or special election, at which election the number of persons voting "yes" on the proposition must constitute three-fifths of a number equal to forty percent of the total number of voters voting in such taxing district at the last preceding general election when the number of registered voters voting on the proposition does not exceed forty percent of the total number of voters voting in such taxing district in the last preceding general election; or by a majority of at least three-fifths of the registered voters thereof voting on the proposition when the number of registered voters voting on the proposition exceeds forty percent of the total number of voters voting in such taxing district in the last preceding general election. The subsequent approval of a six-year or ten-year tax levy under this section must be specifically authorized by a majority of the registered voters thereof approving a proposition authorizing the levies submitted at a general or special election. If the entire region comprising a newly formed regional fire protection service authority was subject to the levy authorized under this section immediately prior to the creation of the authority under chapter 52.26 RCW, the initial imposition of a six-year or ten-year tax levy under this section may be approved by a majority of the registered voters thereof approving the creation of the authority and the related service plan. Ballot propositions must conform with RCW 29A.36.210. A taxing district may not submit to the voters at the same election multiple propositions to impose a levy under this section.

(3) A taxing district imposing a permanent levy under this section must provide for separate accounting of expenditures of the revenues generated by the levy. The taxing district must maintain a statement of the accounting which must be updated at least every two years and must be available to the public upon request at no charge.

(4)(a) A taxing district imposing a permanent levy under this section must provide for a referendum procedure to apply to the ordinance or resolution imposing the tax. This referendum procedure must specify that a referendum petition may be filed at any time with a filing officer, as identified in the ordinance or resolution. Within ten days, the filing officer must confer with the petitioner concerning form and style of the petition, issue the petition an identification number, and secure an accurate, concise, and positive ballot title from the designated local official. The petitioner has thirty days in which to secure the signatures of not less than fifteen percent of the registered voters of the taxing district, as of the last general election, upon petition forms which contain the ballot title and the full text of the measure to be referred. The filing officer must verify the sufficiency of the signatures on the petition and, if sufficient valid signatures are properly submitted, must certify the referendum measure to the next election within the taxing district if one is to be held within one hundred eighty days from the date of filing of the referendum petition, or at a special election to be called for that purpose in accordance with RCW 29A.04.330.

(b) The referendum procedure provided in this subsection (4) is exclusive in all instances for any taxing district imposing the tax under this section and supersedes the procedures provided under all other statutory or charter provisions for initiative or referendum which might otherwise apply.

(5) Any tax imposed under this section may be used only for the provision of emergency medical care or emergency medical services, including related personnel costs, training for such personnel, and related equipment, supplies, vehicles and structures needed for the provision of emergency medical care or emergency medical services.

(6) If a county levies a tax under this section, no taxing district within the county may levy a tax under this section. If a regional fire protection service authority imposes a tax under this section, no other taxing district that is a participating fire protection jurisdiction in the regional fire protection service authority may levy a tax under this section. No other taxing district may levy a tax under this section if another taxing district has levied a tax under this section within its boundaries: PROVIDED, That if a county levies less than fifty cents per thousand dollars of the assessed value of property, then any other taxing district may levy a tax under this section equal to the difference between the rate of the levy by the county and fifty cents: PROVIDED FURTHER, That if a taxing district within a county levies this tax, and the voters of the county subsequently approve a levying of this tax, then the amount of the taxing district levy within the county must be reduced, when the combined levies exceed fifty cents. Whenever a tax is levied countywide, the service must, insofar as is feasible, be provided throughout the county: PROVIDED FURTHER, That no countywide levy proposal may be placed on the ballot without the approval of the legislative authority of a majority of at least seventy-five percent of all cities exceeding a population of fifty thousand within the county: AND PROVIDED FURTHER, That this section and RCW 36.32.480 may not prohibit any city or town from levying an annual excess levy to fund emergency medical services: AND PROVIDED, FURTHER, That if a county proposes to impose tax levies under this section, no other ballot proposition authorizing tax levies under this section by another taxing district in the county may be placed before the voters at the same election at which the county ballot proposition is placed: AND PROVIDED FURTHER, That any taxing district emergency medical service levy that is limited in duration and that is authorized subsequent to a county emergency medical service levy that is limited in duration, expires concurrently with the county emergency medical service levy. A fire protection district that has annexed an area described in subsection (10) of this section may levy the maximum amount of tax that would otherwise be allowed, notwithstanding any limitations in this subsection (6).

(7) The limitations in RCW 84.52.043 do not apply to the tax levy authorized in this section.

(8) If a ballot proposition approved under subsection (2) of this section did not impose the maximum allowable levy amount authorized for the taxing district under this section, any future increase up to the maximum allowable levy amount must be specifically authorized by the voters in accordance with subsection (2) of this section at a general or special election.

(9) The limitation in RCW 84.55.010 does not apply to the first levy imposed pursuant to this section following the approval of such levy by the voters pursuant to subsection (2) of this section.

(10) For purposes of imposing the tax authorized under this section, the boundary of a county with a population greater than one million five hundred thousand does not include all of the area of the county that is located within a city that has a boundary in two counties, if the locally assessed value of all the property in the area of the city within the county having a population greater than one million five hundred thousand is less than two hundred fifty million dollars.

(11) For purposes of this section, the following definitions apply:

(a) "Fire protection jurisdiction" means a fire protection district, city, town, Indian tribe, or port district; and

(b) "Participating fire protection jurisdiction" means a fire protection district, city, town, Indian tribe, or port district that is represented on the governing board of a regional fire protection service authority. [2018 c 136 § 1; 2012 c 115 § 1; 2011 c 365 § 2; 2004 c 129 § 23; 1999 c 224 § 1; 1995 c 318 § 9; 1994 c 79 § 2; 1993 c 337 § 5; 1991 c 175 § 1; 1985 c 348 § 1; 1984 c 131 § 5; 1979 ex.s. c 200 § 1.]

**Findings—Intent—2011 c 365:** "(1) The legislature finds that King county currently imposes an emergency medical services levy throughout the entire county. The legislature further finds that the city of Milton is located partially within King and Pierce counties and the residents of Milton within King county pay the county emergency medical services levy. The legislature further finds that King county, through an interlocal agreement with the city of Milton, has not provided emergency medical services to the city for many years and instead has remitted the county emergency medical services levy collected within the city back to the city. The legislature further finds that the city of Milton has collected only twenty cents per thousand dollars of assessed valuation under its city emergency medical services levy, and not the full fifty cents authorized by the city's voters, because state law limits the city's levy, as well as any other taxing district's emergency medical services levy, if the county also imposes the tax. The legislature further finds that the city of Milton is exploring the possibility of being annexed by a fire protection district located in Pierce county; however, if the district annexes the entire city, including the portion in King county, the district would have to lower its emergency medical services levy as required under state law.

(2) It is the intent of the legislature to address this unusual situation by excluding the portion of the city of Milton within King county from the county emergency medical services levy. It is the further intent of the legislature to clarify that a fire protection district is able to levy the full amount of emergency medical services levy otherwise allowed by law throughout the entire city." [2011 c 365 § 1.]

**Finding—1993 c 337:** See note following RCW 84.52.105.

**Purpose—1984 c 131 §§ 3-9:** See note following RCW 29A.36.210.

Additional notes found at www.leg.wa.gov

**84.52.070 Certification of levies to assessor.** (1) It is the duty of the county legislative authority of each county, on or before the 15th day of December in each year, to certify to the county assessor the amount of taxes levied upon the property in the county for county purposes, and on or before the first Monday in December the respective amounts of taxes levied by the board for each taxing district, within or coextensive with the county, for district purposes.

(2) It is the duty of the council of each city having a population of three hundred thousand or more, and of the council of each town, and of all officials or boards of taxing districts within or coextensive with the county, authorized by law to levy taxes directly and not through the county legislative authority, on or before the thirtieth day of November in each year, to certify to the county assessor the amount of taxes levied upon the property within the city, town, or district for city, town, or district purposes.

(3) If a levy amount is certified to the county assessor after the applicable deadline in subsection (1) or (2) of this section, the county assessor may use no more than the certified levy amount for the previous year for the taxing district. This subsection (3) does not apply to state levies or when the assessor has not certified assessed values as required by RCW 84.48.130 at least twelve working days before November 30th. [2021 c 42 § 2; 2017 3rd sp.s. c 13 § 307; 2010 c 106 § 313; 1994 c 81 § 86; 1988 c 222 § 28; 1961 c 15 § 84.52.070. Prior: 1925 ex.s. c 130 § 78; RRS § 11239; prior: 1890 p 558 §§ 77, 78; Code 1881 § 2881.]

**Intent—2021 c 42:** "It is the intent of the legislature to align the statutory dates by which the county legislative authority must certify property tax levies and adopt the county budget. State law currently provides dates by which the county legislative authority must take these two actions that do not align, making county compliance difficult, if not impossible. It is the intent of the legislature to correct this situation by providing a timeline that can be implemented by county officials without negatively impacting junior taxing districts." [2021 c 42 § 1.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

Additional notes found at www.leg.wa.gov

**84.52.080 Extension of taxes on rolls—Form of certificate—Delivery to treasurer.** (1) The county assessor must extend the taxes upon the tax rolls in the form prescribed in this section. The rate percent necessary to raise the amounts of taxes levied for state and county purposes, and for purposes of taxing districts coextensive with the county, must be computed upon the assessed value of the property of the county. The rate percent necessary to raise the amount of taxes levied for any taxing district within the county must be computed upon the assessed value of the property of the district. All taxes assessed against any property must be added together and extended on the rolls in a column headed consolidated or total tax. In extending any tax, whenever the tax amounts to a fractional part of a cent greater than one-half of a cent it must be rounded up to one cent, and whenever it amounts to one-half of a cent or less it must be dropped. The amount of all taxes must be entered in the proper columns, as shown by entering the rate percent necessary to raise the consolidated or total tax and the total tax assessed against the property.

(2) For the purpose of computing the rate necessary to raise the amount of any excess levy in a taxing district entitled to a distribution under RCW 84.33.081, other than the state, the county assessor must add the district's timber assessed value, as defined in RCW 84.33.035, to the assessed

value of the property. However, for school districts enrichment levies, only one-half of the district's timber assessed value or eighty percent of the timber roll of the district in calendar year 1983 as determined under chapter 84.33 RCW, whichever is greater, must be added to the assessed value of the property.

(3) Upon the completion of such tax extension, it is the duty of the county assessor to make in each assessment book, tax roll or list a certificate in the following form:

I, . . . . . ., assessor of . . . . . county, state of Washington, do hereby certify that the foregoing is a correct list of taxes levied on the real and personal property in the county of . . . . . for the year two thousand . . . . . .

Witness my hand this . . . . day of . . . . . ., 20. . .

. . . . . , County Assessor

(4) The county assessor must deliver the tax rolls to the county treasurer, on or before the fifteenth day of January, taking a receipt from the treasurer. At the same time, the county assessor must provide the county auditor with an abstract of the tax rolls showing the total amount of taxes collectible in each of the taxing districts. [2021 c 145 § 23; 2010 c 106 § 314; 1989 c 378 § 16; 1988 c 222 § 29; 1985 c 184 § 2; 1984 c 204 § 14; 1965 ex.s. c 7 § 1; 1961 c 15 § 84.52.080. Prior: 1925 ex.s. c 130 § 79; RRS § 11240; prior: 1909 c 230 § 4; 1905 c 128 § 1; 1897 c 71 §§ 64, 65; 1893 c 124 §§ 65, 66; 1890 p 566 §§ 79, 81; Code 1881 §§ 2883, 2884.]

Additional notes found at www.leg.wa.gov

**84.52.085 Property tax errors.** (1) If an error has occurred in the levy of property taxes that has caused all taxpayers within a taxing district, other than the state, to pay an incorrect amount of property tax, the assessor shall correct the error by making an appropriate adjustment to the levy for that taxing district in the succeeding year. The adjustment shall be made without including any interest. If the governing authority of the taxing district determines that the amount of the adjustment in the succeeding year is so large as to cause a hardship for the taxing district or the taxpayers within the district, the adjustment may be made on a proportional basis over a period of not more than three consecutive years.

(a) A correction of an error in the levying of property taxes shall not be made for any period more than three years preceding the year in which the error is discovered.

(b) When calculating the levy limitation under chapter 84.55 RCW for levies made following the discovery of an error, the assessor shall determine and use the correct levy amount for the year or years being corrected as though the error had not occurred. The amount of the adjustment determined under this subsection (1) shall not be considered when calculating the levy limitation.

(c) If the taxing district in which a levy error has occurred does not levy property taxes in the year the error is discovered, or for a period of more than three years subsequent to the year the error was discovered, an adjustment shall not be made.

(2) If an error has occurred in the distribution of property taxes so that property tax collected has been incorrectly distributed to a taxing district or taxing districts wholly or partially within a county, the treasurer of the county in which the error occurred shall correct the error by making an appropriate adjustment to the amount distributed to that taxing district or districts in the succeeding year. The adjustment shall be made without including any interest. If the treasurer, in consultation with the governing authority of the taxing district or districts affected, determines that the amount of the adjustment in the succeeding year is so large as to cause a hardship for the taxing district or districts, the adjustment may be made on a proportional basis over a period of not more than three consecutive years. A correction of an error in the distribution of property taxes shall not be made for any period more than three years preceding the year in which the error is discovered. [2001 c 185 § 14.]

Additional notes found at www.leg.wa.gov

**84.52.105 Affordable housing levies authorized—Declaration of emergency and plan required.** (1) A county, city, or town may impose additional regular property tax levies of up to fifty cents per thousand dollars of assessed value of property in each year for up to ten consecutive years to finance affordable housing for very low-income households, and affordable homeownership, owner-occupied home repair, and foreclosure prevention programs for low-income households, when specifically authorized to do so by a majority of the voters of the taxing district voting on a ballot proposition authorizing the levies. If both a county, and a city or town within the county, impose levies authorized under this section, the levies of the last jurisdiction to receive voter approval for the levies must be reduced or eliminated so that the combined rates of these levies may not exceed fifty cents per thousand dollars of assessed valuation in any area within the county. A ballot proposition authorizing a levy under this section must conform with RCW 84.52.054.

(2) The additional property tax levies may not be imposed until:

(a) The governing body of the county, city, or town declares the existence of an emergency with respect to the availability of housing that is affordable to very low-income households or low-income households in the taxing district; and

(b) The governing body of the county, city, or town adopts an affordable housing financing plan to serve as the plan for expenditure of funds raised by a levy authorized under this section, and the governing body determines that the affordable housing financing plan is consistent with either the locally adopted or state-adopted comprehensive housing affordability strategy, required under the Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec. 12701, et seq.), as amended.

(3) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Low-income household" means a single person, family, or unrelated persons living together whose income is at or below eighty percent of the median income, as determined by the United States department of housing and urban development, with adjustments for household size, for the county where the taxing district is located.

(b) "Very low-income household" means a single person, family, or unrelated persons living together whose income is at or below fifty percent of the median income, as determined by the United States department of housing and

urban development, with adjustments for household size, for the county where the taxing district is located.

(4) The limitations in RCW 84.52.043 shall not apply to the tax levy authorized in this section. [2020 c 253 § 2; 1995 c 318 § 10; 1993 c 337 § 2.]

**Effective date—2020 c 253:** "This act takes effect October 1, 2020." [2020 c 253 § 4.]

**Findings—2020 c 253; 1993 c 337:** "The legislature finds that:

(1) Many very low-income and low-income residents of the state of Washington are unable to afford housing that is decent, safe, and appropriate to their living needs;

(2) Recent federal housing legislation conditions funding for affordable housing on the availability of local matching funds;

(3) Current statutory debt limitations may impair the ability of counties, cities, and towns to meet federal matching requirements and, as a consequence, may impair the ability of such counties, cities, and towns to develop appropriate and effective strategies to increase the availability of safe, decent, and appropriate housing that is affordable to very low-income households and low-income households; and

(4) It is in the public interest to encourage counties, cities, and towns to develop locally based affordable housing financing plans designed to expand and preserve the availability of housing that is decent, safe, affordable, and appropriate to the living needs of very low-income households and low-income households of the counties, cities, and towns." [2020 c 253 § 1; 1993 c 337 § 1.]

Additional notes found at www.leg.wa.gov

**84.52.120 Metropolitan park districts—Protection of levy from prorationing—Ballot proposition.** A metropolitan park district with a population of one hundred fifty thousand or more may submit a ballot proposition to voters of the district authorizing the protection of the district's tax levy from prorationing under *RCW 84.52.010(2) by imposing all or any portion of the district's twenty-five cent per thousand dollars of assessed valuation tax levy outside of the five dollar and ninety cent per thousand dollar of assessed valuation limitation established under RCW 84.52.043(2), if those taxes otherwise would be prorated under *RCW 84.52.010(2)(c), for taxes imposed in any year on or before the first day of January six years after the ballot proposition is approved. A simple majority vote of voters voting on the proposition is required for approval. [1995 c 99 § 1; (2011 1st sp.s. c 28 § 3 expired January 1, 2018).]

***Reviser's note:** RCW 84.52.010 was amended by 2015 c 170 § 2, changing subsection (2) and (2)(c) to subsection (3)(b) and (3)(b)(iii), respectively. RCW 84.52.010 was subsequently amended by 2015 3rd sp.s. c 24 §§ 404 and 405, changing subsection (3)(b)(iii) to subsection (3)(b)(iv).

Additional notes found at www.leg.wa.gov

**84.52.125 Fire protection districts and regional fire protection service authorities—Protection from levy prorationing.** A fire protection district or regional fire protection service authority may protect the district's or authority's tax levy from prorationing under RCW 84.52.010(3)(b) by imposing up to a total of twenty-five cents per thousand dollars of assessed value of the tax levies authorized under RCW 52.16.140 and 52.16.160, or 52.26.140(1) (b) and (c) outside of the five dollars and ninety cents per thousand dollars of assessed valuation limitation established under RCW 84.52.043(2), if those taxes otherwise would be prorated under RCW 84.52.010(3)(b)(vi). [2017 c 196 § 13; 2005 c 122 § 1.]

**Effective date—2017 c 196 §§ 1-9, 11, 13, and 14:** See note following RCW 52.26.220.

**Application—2017 c 196 §§ 3 and 9-13:** See note following RCW 84.55.092.

Additional notes found at www.leg.wa.gov

**84.52.130 Fire protection district excess levies.** The limitations imposed by RCW 84.52.050 through 84.52.056, and 84.52.043 shall not prevent the levy of taxes by a fire protection district, when authorized so to do by the voters of a fire protection district in the manner and for the purposes and number of years allowable under Article VII, section 2(a) of the Constitution of this state. Elections for taxes shall be held in the year in which the levy is made, or in the case of propositions authorizing two-year through four-year levies for maintenance and operation support of a fire district, or authorizing two-year through six-year levies to support the construction, modernization, or remodeling of fire district facilities, in the year in which the first annual levy is made. Once additional tax levies have been authorized for maintenance and operation support of a fire protection district for a two-year through four-year period, no further additional tax levies for maintenance and operation support of the district for that period may be authorized.

A special election may be called and the time fixed by the fire protection district commissioners, by giving notice by publication in the manner provided by law for giving notices of general elections, at which special election the proposition authorizing the excess levy shall be submitted in a form as to enable the voters favoring the proposition to vote "yes" and those opposed to vote "no." [2002 c 180 § 2.]

Additional notes found at www.leg.wa.gov

**84.52.135 County levy for criminal justice purposes.** (1) A county with a population of ninety thousand or less may impose additional regular property tax levies in an amount equal to fifty cents or less per thousand dollars of the assessed value of property in the county in accordance with the terms of this section.

(2) The tax proposition may be submitted at a general or special election.

(3) The tax may be imposed each year for six consecutive years when specifically authorized by the registered voters voting on the proposition, subject to the following:

(a) If the number of registered voters voting on the proposition does not exceed forty percent of the total number of voters voting in the taxing district at the last general election, the number of persons voting "yes" on the proposition shall constitute at least three-fifths of a number equal to forty percent of the total number of voters voting in the taxing district at the last general election.

(b) If the number of registered voters voting on the proposition exceeds forty percent of the total number of voters voting in the taxing district at the last preceding general election, the number of persons voting "yes" on the proposition shall be at least three-fifths of the registered voters voting on the proposition.

(4) Ballot propositions shall conform with RCW 29A.36.210.

(5) Any tax imposed under this section shall be used exclusively for criminal justice purposes.

(6) The limitations in RCW 84.52.043 do not apply to the tax authorized in this section.

(7) The limitation in RCW 84.55.010 does not apply to the first tax levy imposed pursuant to this section following the approval of the levy by the voters pursuant to subsection (3) of this section. [2004 c 80 § 1.]

Additional notes found at www.leg.wa.gov

**84.52.140 Additional regular property tax levy authorized.** (1) A county with a population of one million five hundred thousand or more may impose an additional regular property tax levy in an amount not to exceed seven and one-half cents per thousand dollars of the assessed value of property in the county in accordance with the terms of this section.

(2) Any tax imposed under this section shall be used as follows:

(a) The first one cent for expanding transit capacity along state route number 520 by adding core and other supporting bus routes;

(b) The remainder for transit-related expenditures.

(3) The limitations in RCW 84.52.043 do not apply to the tax authorized in this section.

(4) The limitation in RCW 84.55.010 does not apply to the first tax levy imposed under this section. [2009 c 551 § 5.]

**84.52.700 County airport district levy authorized.** See RCW 14.08.290.

**84.52.703 Mosquito control district levies authorized.** See RCW 17.28.100, 17.28.252, and 17.28.260.

**84.52.706 Rural county library district levy authorized.** See RCW 27.12.050 and 27.12.222.

**84.52.709 Intercounty rural library district levy authorized.** See RCW 27.12.150 and 27.12.222.

**84.52.712 Reduction of city levy if part of library district.** See RCW 27.12.390.

**84.52.713 Island library district levy authorized.** See RCW 27.12.420 and 27.12.222.

**84.52.718 Levy by receiver of disincorporated city authorized.** See RCW 35.07.180.

**84.52.719 Second-class city levies.** See RCW 35.23.470.

**84.52.721 Unclassified city sewer fund levy authorized.** See RCW 35.30.020.

**84.52.724 City accident fund levy authorized.** See RCW 35.31.060.

**84.52.727 City emergency fund levy authorized.** See RCW 35.32A.060.

**84.52.730 City lowlands and waterway projects levy authorized.** See RCW 35.56.190.

**84.52.733 Metropolitan municipal corporation levy authorized.** See RCW 35.58.090.

**84.52.736 Metropolitan park district levy authorized.** See RCW 35.61.210.

**84.52.739 Code city accident fund levy authorized.** See RCW 35A.31.070.

**84.52.742 County lands assessment fund levy authorized.** See RCW 36.33.120 and 36.33.140.

**84.52.745 General county levy authorized.** See RCW 36.40.090.

**84.52.749 County rail district tax levies authorized.** See RCW 36.60.040.

**84.52.750 Solid waste disposal district—Excess levies authorized.** See RCW 36.58.150.

**84.52.751 County hospital maintenance levy authorized.** See RCW 36.62.090.

**84.52.754 Park and recreation service area levies authorized.** See RCW 36.68.520 and 36.68.525.

**84.52.757 Park and recreation district levies authorized.** See RCW 36.69.140 and 36.69.145.

**84.52.760 County road fund levy authorized.** See RCW 36.82.040.

**84.52.761 Road and bridge service district levies authorized.** See RCW 36.83.030 and 36.83.040.

**84.52.763 City firemen's pension fund levy authorized.** See RCW 41.16.060.

**84.52.769 Reduction of city levy if part of fire protection district.** See RCW 52.04.081.

**84.52.772 Fire protection district levies authorized.** See RCW 52.16.130, 52.16.140, and 52.16.160.

**84.52.775 Port district levies authorized.** See RCW 53.36.020, 53.36.070, *53.36.100, and 53.47.040.

***Reviser's note:** RCW 53.36.100 was repealed by 2015 c 135 § 5, effective January 1, 2026.

**84.52.778 Public utility district levy authorized.** See RCW 54.16.080.

**84.52.784 Water-sewer district levies authorized.** See RCW 57.04.050, 57.20.019, and 57.20.105.

**84.52.786 Cultural arts, stadium and convention district tax levies authorized.** See RCW 67.38.110 and 67.38.130.

**84.52.787 Cemetery district levy authorized.** See RCW 68.52.290 and 68.52.310.

**84.52.790 Public hospital district levy authorized.** See RCW 70.44.060.

**84.52.793 Air pollution control agency levy authorized.** See RCW 70A.15.1580.

**84.52.799 Veteran's relief fund levy authorized.** See RCW 73.08.080.

**84.52.802 Acquisition of open space, etc., land or rights to future development by certain entities—Property tax levy authorized.** See RCW 84.34.230.

**84.52.808 River improvement fund levy authorized.** See RCW 86.12.010.

**84.52.811 Intercounty river control agreement levy authorized.** See RCW 86.13.010 and 86.13.030.

**84.52.814 Flood control zone district levy authorized.** See RCW 86.15.160.

**84.52.816 Flood control zone—Prorationing protection.** A flood control zone district in a county with a population of seven hundred seventy-five thousand or more, or a county within the Chehalis river basin, that is coextensive with a county may protect the levy under RCW 86.15.160 from prorationing under *RCW 84.52.010(3)(b)(ii) by imposing up to a total of twenty-five cents per thousand dollars of assessed value of the tax levy authorized under RCW 86.15.160 outside of the five dollars and ninety cents per thousand dollars of assessed value limitation under RCW 84.52.043(2), if those taxes otherwise would be prorated under *RCW 84.52.010(3)(b)(ii). [2015 c 170 § 3.]

***Reviser's note:** RCW 84.52.010 was amended by 2015 3rd sp.s. c 44 § 325 and 2015 3rd sp.s. c 24 § 405, changing subsection (3)(b)(ii) to subsection (3)(b)(iii).

**Effective date—2015 c 170:** "This act takes effect January 1, 2018." [2015 c 170 § 6.]

**Findings—Intent—2015 c 170:** "The legislature finds that flooding is a critical problem in Washington. The legislature further finds that flooding can result in loss of human life, damage to property, destruction of infrastructure, and bring economic activity to a standstill. The legislature further finds that flood control zone districts offer critical services that protect our state by mitigating the devastating impacts of flooding. It is the legislature's public policy objective to maximize available financing tools to flood control zone districts to continue their important work. Therefore, it is the legislature's intent to exempt levies imposed by a qualifying flood control zone district from certain limitations upon regular property tax levies." [2015 c 170 § 1.]

**Application—2015 c 170:** "This act applies to taxes levied for collection in 2018 and thereafter." [2015 c 170 § 5.]

**84.52.817 Irrigation and rehabilitation district special assessment authorized.** See RCW 87.84.070.

**84.52.820 Reclamation district levy authorized.** See RCW 89.30.391 through 89.30.397.

**84.52.821 Property tax.** (1) The legislative authority of a county or city may impose an additional regular property tax levy for the purposes authorized under chapter 36.160 RCW. The legislative authority of the county or city may impose the additional levy by ordinance and must condition its imposition of the levy upon prior specific authorization of a majority of the voters voting on a proposition submitted at a special or general election held after June 30, 2016. The ordinance and the ballot proposition must set forth the total dollar amount to be collected in the first year of the levy and the estimated levy rate for the first year and may provide for a levy for a period of up to seven consecutive years. The total dollar amount to be set forth in the ordinance and the ballot proposition may not exceed an amount equal to: The total taxable retail sales and taxable uses in the county or the city levying the property tax for the most recent calendar year as reported by the department multiplied by one-tenth of one percent. Any county or city levying the property tax in this section must calculate the total dollar amount to be collected using the most recent calendar year publicly available data of taxable retail sales published on the department's website.

(2) The legislative authority of a county or city may reimpose an additional regular property tax levy imposed under subsection (1) of this section for one or more additional periods of up to seven consecutive years. The legislative authority of the county or city may only reimpose the regular property tax levy by ordinance and on the prior specific authorization of a majority of the voters voting on a proposition submitted at a special or general election. The ordinance and the ballot proposition must set forth the total dollar amount to be collected in the first year and the estimated levy rate for the first year of the reimposed levy. The total dollar amount to be set forth in the ordinance and the ballot proposition may not exceed an amount equal to: The total taxable retail sales and taxable uses in the county or the city levying the property tax for the most recent calendar year as reported by the department multiplied by one-tenth of one percent. Any county or city levying the property tax in this section must calculate the total dollar amount to be collected using the most recent calendar year publicly available data of taxable retail sales published on the department's website.

(3) In the event a county or city is levying property taxes under this section that, in combination with property taxes levied by other taxing districts, exceed the limitation in RCW 84.52.050 or 84.52.043(2), the county's or city's property tax levy under this section must be reduced or eliminated consistent with RCW 84.52.010.

(4) The limitation in RCW 84.55.010 does not apply to the first levy imposed under subsection (1) of this section or to the first levy reimposed under subsection (2) of this section.

(5) The limitations in RCW 84.52.043(1) do not apply to the tax levy authorized in this section.

(6) Moneys collected under this section may only be used for the purposes set forth in RCW 36.160.110.

(7) The definitions in RCW 36.160.020 apply to this section. [2015 3rd sp.s. c 24 § 403.]

**Construction—2015 3rd sp.s. c 24:** See note following RCW 36.160.030.

**84.52.823 Levy for tax refund funds.** See RCW 84.68.040.

**84.52.825 Tax preferences—Expiration dates.** (1) See RCW 82.32.805 for the expiration date of new tax preferences for the taxes imposed under RCW 84.52.065.

(2) See RCW 82.32.808 for reporting requirements for any new tax preference for the taxes imposed under RCW 84.52.065. [2017 3rd sp.s. c 13 § 314; 2013 2nd sp.s. c 13 § 1721.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Effective date—2013 2nd sp.s. c 13:** See note following RCW 82.04.43393.

## Chapter 84.55 RCW
## LIMITATIONS UPON REGULAR PROPERTY TAXES

Sections



**84.55.005 Definitions.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Inflation" means the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent twelve-month period by the bureau of economic analysis of the federal department of commerce by September 25th of the year before the taxes are payable;

(2) "Limit factor" means:

(a) For taxing districts with a population of less than ten thousand in the calendar year prior to the assessment year, one hundred one percent;

(b) For taxing districts for which a limit factor is authorized under RCW 84.55.0101, the lesser of the limit factor authorized under that section or one hundred one percent;

(c) For all other districts, the lesser of one hundred one percent or one hundred percent plus inflation; and

(3) "Regular property taxes" has the meaning given it in RCW 84.04.140. [2014 c 97 § 316; 2007 sp.s. c 1 § 1. Prior: 1997 c 393 § 20; 1997 c 3 § 201 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 49; 1983 1st ex.s. c 62 § 11.]

**Reviser's note:** On November 8, 2007, Initiative Measure No. 747 was declared unconstitutional in its entirety in *Wash. Citizens Action of Wash. v. State,* 162 Wn.2d 142, 171 P.3d 486 (2007).

**Intent—1997 c 3 §§ 201-207:** See note following RCW 84.55.010.

**Short title—Intent—Effective dates—Applicability—1983 1st ex.s. c 62:** See notes following RCW 84.36.477.

Additional notes found at www.leg.wa.gov

**84.55.010 Limitations prescribed.** (1) Except as provided in this chapter, the levy for a taxing district in any year must be set so that the regular property taxes payable in the following year do not exceed the limit factor multiplied by the amount of regular property taxes lawfully levied for such district in the highest of the three most recent years in which such taxes were levied for such district, excluding any increase due to (e) of this subsection, unless the highest levy was the statutory maximum rate amount, plus an additional dollar amount calculated by multiplying the regular property tax levy rate of that district for the preceding year by the increase in assessed value in that district resulting from:

(a) New construction;

(b) 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;

(c) Improvements to property;

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

(e) 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 (1)(e) 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.

(2) The requirements of this section do not apply to:

(a) State property taxes levied under RCW 84.52.065(1) for collection in calendar years 2019 through 2021; and

(b) State property taxes levied under RCW 84.52.065(2) for collection in calendar years 2018 through 2021. [2021 c 207 § 10; 2017 3rd sp.s. c 13 § 302; 2014 c 4 § 1; 2006 c 184 § 1; 1997 c 3 § 202 (Referendum Bill No. 47, approved November 4, 1997); 1979 ex.s. c 218 § 2; 1973 1st ex.s. c 67 § 1; 1971 ex.s. c 288 § 20.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Application—2014 c 4:** "This act applies to taxes levied for collection in 2015 and thereafter." [2014 c 4 § 6.]

**Intent—1997 c 3 §§ 201-207:** "It is the intent of sections 201 through 207 of this act to lower the one hundred six percent limit while still allowing taxing districts to raise revenues in excess of the limit if approved by a majority of the voters as provided in RCW 84.55.050." [1997 c 3 § 208 (Referendum Bill No. 47, approved November 4, 1997).]

Additional notes found at www.leg.wa.gov

**84.55.0101 Limit factor—Authorization for taxing district to use one hundred one percent or less—Ordinance or resolution.** Upon a finding of substantial need, the legislative authority of a taxing district other than the state may provide for the use of a limit factor under this chapter of one hundred one percent or less. In districts with legislative authorities of four members or less, two-thirds of the members must approve an ordinance or resolution under this section. In districts with more than four members, a majority plus one vote must approve an ordinance or resolution under this section. The new limit factor shall be effective for taxes collected in the following year only. [2007 sp.s. c 1 § 2; 1997 c 3 § 204 (Referendum Bill No. 47, approved November 4, 1997).]

**Reviser's note:** On November 8, 2007, Initiative Measure No. 747 was declared unconstitutional in its entirety in *Wash. Citizens Action of Wash. v. State,* 162 Wn.2d 142, 171 P.3d 486 (2007).

**Intent—1997 c 3 §§ 201-207:** See note following RCW 84.55.010.

Additional notes found at www.leg.wa.gov

**84.55.015 Restoration of regular levy.** If a taxing district has not levied since 1985 and elects to restore a regular property tax levy subject to applicable statutory limitations then such first restored levy must be set so that the regular property tax payable does not exceed the amount which was last levied, plus an additional dollar amount calculated by multiplying the property tax rate which is proposed to be restored, or the maximum amount which could be lawfully levied in the year such a restored levy is proposed, by the increase in assessed value in the district since the last levy resulting from:

(1) New construction;

(2) 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;

(3) Improvements to property; and

(4) Any increase in the assessed value of state-assessed property. [2014 c 4 § 2; 2006 c 184 § 2; 1999 c 96 § 1; 1979 ex.s. c 218 § 4.]

**Application—2014 c 4:** See note following RCW 84.55.010.

**84.55.020 Limitation upon first levy for district created from consolidation.** Notwithstanding the limitation set forth in RCW 84.55.010, the first levy for a taxing district created from consolidation of similar taxing districts must be set so that the regular property taxes payable in the following year do not exceed the limit factor multiplied by the sum of the amount of regular property taxes lawfully levied for each component taxing district in the highest of the three most recent years in which such taxes were levied for such district plus the additional dollar amount calculated by multiplying the regular property tax rate of each component district for the preceding year by the increase in assessed value in each component district resulting from:

(1) New construction;

(2) 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;

(3) Improvements to property; and

(4) Any increase in the assessed value of state-assessed property. [2014 c 4 § 3; 2006 c 184 § 3; 1997 c 3 § 203 (Referendum Bill No. 47, approved November 4, 1997); 1971 ex.s. c 288 § 21.]

**Application—2014 c 4:** See note following RCW 84.55.010.

**Intent—1997 c 3 §§ 201-207:** See note following RCW 84.55.010.

Additional notes found at www.leg.wa.gov

**84.55.030 Limitation upon first levy following annexation.** For the first levy for a taxing district following annexation of additional property, the limitation set forth in RCW 84.55.010 must be increased by an amount equal to the aggregate assessed valuation of the newly annexed property as shown by the current completed and balanced tax rolls of the county or counties within which such property lies, multiplied by the dollar rate that would have been used by the annexing unit in the absence of such annexation, plus the additional dollar amount calculated by multiplying the regular property tax levy rate of that annexing taxing district for the preceding year by the increase in assessed value in the annexing district resulting from:

(1) New construction;

(2) 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;

(3) Improvements to property; and

(4) Any increase in the assessed value of state-assessed property. [2014 c 4 § 4; 2006 c 184 § 4; 1973 1st ex.s. c 195 § 107; 1971 ex.s. c 288 § 22.]

**Application—2014 c 4:** See note following RCW 84.55.010.

Additional notes found at www.leg.wa.gov

**84.55.035 Inapplicability of limitation to newly-formed taxing district created other than by consolidation or annexation.** RCW 84.55.010 shall not apply to the first levy by or for a newly-formed taxing district created other than by consolidation or annexation.

This section shall be retroactive in effect and shall be deemed to validate any levy within its scope, even though the levy has been made prior to June 4, 1979. [1979 ex.s. c 218 § 5.]

**84.55.040 Increase in statutory dollar rate limitation.** If by reason of the operation of RCW 84.52.043 and 84.52.050, as now or hereafter amended the statutory dollar rate limitation applicable to the levy by a taxing district has been increased over the statutory millage limitation applicable to such taxing district's levy in the preceding year, the limitation on the dollar rate amount of a levy provided for in this chapter shall be increased by multiplying the otherwise dollar limitation by a fraction, the numerator of which is the increased dollar limitation and the denominator of which is

the dollar limitation for the prior year. [1973 1st ex.s. c 195 § 108; 1973 1st ex.s. c 195 § 151; 1971 ex.s. c 288 § 23.]

Additional notes found at www.leg.wa.gov

**84.55.045 Applicability of chapter to levy by port district for industrial development district purposes.** For purposes of applying the provisions of this chapter:

(1) A levy by or for a port district pursuant to *RCW 53.36.100 shall be treated in the same manner as a separate regular property tax levy made by or for a separate taxing district; and

(2) The first levy by or for a port district pursuant to *RCW 53.36.100 after April 1, 1982, shall not be subject to RCW 84.55.010. [1982 1st ex.s. c 3 § 2.]

***Reviser's note:** RCW 53.36.100 was repealed by 2015 c 135 § 5, effective January 1, 2026.

Additional notes found at www.leg.wa.gov

**84.55.047 Applicability of chapter to community revitalization financing increment areas.** Limitations on regular property taxes that are provided in this chapter shall continue in a taxing district whether or not an increment area exists within the taxing district as provided under chapter 39.89 RCW. [2001 c 212 § 24.]

**84.55.050 Election to authorize increase in regular property tax levy—Limited propositions—Procedure.** (1) Subject to any otherwise applicable statutory dollar rate limitations, regular property taxes may be levied by or for a taxing district in an amount exceeding the limitations provided for in this chapter if such levy is authorized by a proposition approved by a majority of the voters of the taxing district voting on the proposition at a general election held within the district or at a special election within the taxing district called by the district for the purpose of submitting such proposition to the voters. Any election held pursuant to this section shall be held not more than 12 months prior to the date on which the proposed levy is to be made, except as provided in subsection (2) of this section. The ballot of the proposition shall state the dollar rate proposed and shall clearly state the conditions, if any, which are applicable under subsection (4) of this section.

(2)(a) Subject to statutory dollar limitations, a proposition placed before the voters under this section may authorize annual increases in levies for multiple consecutive years, up to six consecutive years, during which period each year's authorized maximum legal levy shall be used as the base upon which an increased levy limit for the succeeding year is computed, but the ballot proposition must state the dollar rate proposed only for the first year of the consecutive years and must state the limit factor, or a specified index to be used for determining a limit factor, such as the consumer price index, which need not be the same for all years, by which the regular tax levy for the district may be increased in each of the subsequent consecutive years. Elections for this purpose must be held at a primary or general election. The title of each ballot measure must state the limited purposes for which the proposed annual increases during the specified period of up to six consecutive years shall be used.

(b)(i) Except as otherwise provided in this subsection (2)(b), funds raised by a levy under this subsection may not supplant existing funds used for the limited purpose specified in the ballot title. For purposes of this subsection, existing funds means the actual operating expenditures for the calendar year in which the ballot measure is approved by voters. Actual operating expenditures excludes lost federal funds, lost or expired state grants or loans, extraordinary events not likely to reoccur, changes in contract provisions beyond the control of the taxing district receiving the services, and major nonrecurring capital expenditures.

(ii) The supplanting limitations in (b)(i) of this subsection do not apply to levies approved by the voters in calendar years 2009, 2010, 2011, 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022, in any county with a population of 1,500,000 or more. This subsection (2)(b)(ii) only applies to levies approved by the voters after July 26, 2009.

(iii) The supplanting limitations in (b)(i) of this subsection do not apply to levies approved by the voters in calendar year 2009 and thereafter in any county with a population less than 1,500,000. This subsection (2)(b)(iii) only applies to levies approved by the voters after July 26, 2009.

(3) After a levy authorized pursuant to this section is made, the dollar amount of such levy may not be used for the purpose of computing the limitations for subsequent levies provided for in this chapter, unless the ballot proposition expressly states that the levy made under this section will be used for this purpose.

(4) If expressly stated, a proposition placed before the voters under subsection (1) or (2) of this section may:

(a) Use the dollar amount of a levy under subsection (1) of this section, or the dollar amount of the final levy under subsection (2) of this section, for the purpose of computing the limitations for subsequent levies provided for in this chapter;

(b) Limit the period for which the increased levy is to be made under (a) of this subsection;

(c) Limit the purpose for which the increased levy is to be made under (a) of this subsection, but if the limited purpose includes making redemption payments on bonds;

(i) For the county in which the state capitol is located, the period for which the increased levies are made may not exceed 25 years; and

(ii) For districts other than a district under (c)(i) of this subsection, the period for which the increased levies are made may not exceed nine years;

(d) Set the levy or levies at a rate less than the maximum rate allowed for the district;

(e) Provide that the exemption authorized by RCW 84.36.381 will apply to the levy of any additional regular property taxes authorized by voters; or

(f) Include any combination of the conditions in this subsection.

(5) Except as otherwise expressly stated in an approved ballot measure under this section, subsequent levies shall be computed as if:

(a) The proposition under this section had not been approved; and

(b) The taxing district had made levies at the maximum rates which would otherwise have been allowed under this chapter during the years levies were made under the proposition. [2021 c 296 § 14; 2018 c 46 § 3; 2017 c 296 § 2; 2009 c 551 § 3; 2008 c 319 § 1; 2007 c 380 § 2; 2003 1st sp.s. c 24

§ 4; 1989 c 287 § 1; 1986 c 169 § 1; 1979 ex.s. c 218 § 3; 1973 1st ex.s. c 195 § 109; 1971 ex.s. c 288 § 24.]

**Finding—Intent—Effective date—2021 c 296:** See notes following RCW 82.14.310.

**Intent—2018 c 46:** See note following RCW 84.36.381.

**Findings—2017 c 296:** "The legislature finds government owned property is exempt from both property taxes and leasehold excise tax. The legislature further finds property tax exemptions lower the taxable assessed value within a district. The legislature further finds most of the state-owned buildings in Washington, including the state capitol, are located in Thurston county. The legislature further finds this imposes a disproportional burden on taxpayers and Thurston county. It is the legislature's objective to mitigate this burden by providing Thurston county the ability to increase a bond levy for a longer period of time with a voter approved lid lift." [2017 c 296 § 1.]

**Application—2017 c 296:** "This act applies to taxes levied for collection in 2018 and thereafter." [2017 c 296 § 3.]

**Finding—Intent—Effective date—Severability—2003 1st sp.s. c 24:** See notes following RCW 82.14.450.

Additional notes found at www.leg.wa.gov

**84.55.060 Rate rules—Educational program—Other necessary action.** The department of revenue shall adopt rules relating to the calculation of tax rates and the limitation in RCW 84.55.010, conduct an educational program on this subject, and take any other action necessary to insure compliance with the statutes and rules on this subject. [1979 ex.s. c 218 § 6.]

**84.55.070 Inapplicability of chapter to levies for certain purposes.** The provisions of this chapter do not apply to a levy, including any state levy, or that portion of a levy, made by or for a taxing district:

(1) For the purpose of funding a property tax refund paid under the provisions of chapter 84.68 RCW;

(2) Under RCW 84.69.180; or

(3) Attributable to amounts of state taxes withheld under RCW 84.56.290 or the provisions of chapter 84.69 RCW, or otherwise attributable to state taxes lawfully owing by reason of adjustments made under RCW 84.48.080. [2017 3rd sp.s. c 13 § 308; 2009 c 350 § 11; 1982 1st ex.s. c 28 § 2; 1981 c 228 § 3.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

Additional notes found at www.leg.wa.gov

**84.55.092 Protection of future levy capacity.** (1) The regular property tax levy for each taxing district other than the state's levies may be set at the amount which would be allowed otherwise under this chapter if the regular property tax levy for the district for taxes due in prior years beginning with 1986 had been set at the full amount allowed under this chapter including any levy authorized under RCW 52.16.160 or 52.26.140(1)(c) that would have been imposed but for the limitation in RCW 52.18.065 or 52.26.240, applicable upon imposition of the benefit charge under chapter 52.18 or 52.26 RCW.

(2) The purpose of subsection (1) of this section is to remove the incentive for a taxing district to maintain its tax levy at the maximum level permitted under this chapter, and to protect the future levy capacity of a taxing district that reduces its tax levy below the level that it otherwise could impose under this chapter, by removing the adverse consequences to future levy capacities resulting from such levy reductions.

(3) Subsection (1) of this section does not apply to any portion of a city or town's regular property tax levy that has been reduced as part of the formation of a fire protection district under RCW 52.02.160. [2017 3rd sp.s. c 13 § 309. Prior: 2017 c 328 § 3; 2017 c 196 § 3; 1998 c 16 § 3; 1988 c 274 § 4; 1986 c 107 § 3.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Application—2017 c 196 §§ 3 and 9-13:** "Sections 3 and 9 through 13 of this act apply to property taxes levied for collection in 2018 and thereafter." [2017 c 196 § 18.]

**Effective date—2017 c 196 §§ 1-9, 11, 13, and 14:** See note following RCW 52.26.220.

**Purpose—Severability—1988 c 274:** See notes following RCW 84.52.010.

Additional notes found at www.leg.wa.gov

**84.55.100 Determination of limitations.** The property tax limitation contained in this chapter shall be determined by the county assessors of the respective counties in accordance with the provisions of this chapter: PROVIDED, That the limitation for any state levy shall be determined by the department of revenue and the limitation for any intercounty rural library district shall be determined by the library district in consultation with the respective county assessors. [1983 c 223 § 1.]

**84.55.110 Withdrawal of certain areas of a library district, metropolitan park district, fire protection district, or public hospital district—Calculation of taxes due.** Whenever a withdrawal occurs under RCW 27.12.355, 35.61.360, 52.04.056, or 70.44.235, restrictions under chapter 84.55 RCW on the taxes due for the library district, metropolitan park district, fire protection district, or public hospital district, and restrictions under chapter 84.55 RCW on the taxes due for the city or town if an entire city or town area is withdrawn from a library district or fire protection district, shall be calculated as if the withdrawn area had not been part of the library district, metropolitan park district, fire protection district, or public hospital district, and as if the library district or fire protection district had not been part of the city or town. [1987 c 138 § 6.]

**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 capi-

tal, 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.]

**Application—2014 c 4:** See note following RCW 84.55.010.

Additional notes found at www.leg.wa.gov

**84.55.125 Limitation adjustment for certain leasehold interests.** For taxes levied for collection in 2002, the limitation set forth in RCW 84.55.010 for a taxing district shall be increased by an amount equal to the aggregate assessed valuation of leasehold interests subject to tax by the district under RCW 84.40.410, multiplied by the regular property tax levy rate of that district for the preceding year. [2001 c 26 § 4.]

**84.55.130 Inapplicability of limitation to certain multiyear levy periods by port districts.** (1) Except as provided in RCW 53.36.160(3), RCW 84.55.010 does not apply to a levy under RCW 53.36.160.

(2) For purposes of applying the provisions of this chapter, a levy by or for a port district under RCW 53.36.160(3) must be treated in the same manner as a separate regular property tax levy made by or for a separate taxing district. [2015 c 135 § 3.]

**84.55.135 Property tax levies or special assessments on dissolved special purpose districts—When authorized.** (1) Except as provided in subsection (2) of this section, if a county dissolves a special purpose district under chapter 36.96 RCW, the county may impose a separate property tax levy or special assessment on the property lying within the former boundaries of the dissolved special purpose district beginning in the first calendar year following dissolution if:

(a) The county assumes responsibility of the services previously provided by the special purpose district; and

(b) The property tax levy or special assessment does not exceed any legally authorized property tax levy rate or special assessment for the dissolved special purpose district.

(2) If a county discontinues providing the services of a dissolved special purpose district for which the county imposed a separate property tax levy or special assessment as provided in subsection (1) of this section, the county must cease imposing that property tax levy or special assessment beginning in the first calendar year after the discontinuation of the provision of services by the county.

(3) For purposes of RCW 84.52.010 and 84.52.043, a property tax levy authorized by a county under this section is subject to the same provisions as the county's general property tax levy.

(4) The limitation in RCW 84.55.010 does not apply to the first property tax levy imposed under this section.

(5) For purposes of this section, "special assessment" means any special assessment, benefit assessment, or rates and charges imposed by a special purpose district. [2020 c 179 § 6.]

## Chapter 84.56 RCW
## COLLECTION OF TAXES

Sections

**84.56.010 Establishment of tax rolls by treasurer—Public record—Tax roll account—Authority to receive, collect taxes.** On or before the first Monday in January next succeeding the date of levy of taxes the county treasurer shall establish tax rolls of his or her county as certified by the county assessor for such assessment year, and said rolls shall be preserved as a public record in the office of the county treasurer. The amount of said taxes levied and extended upon said rolls shall be charged to the treasurer in an account to be designated as treasurer's "Tax roll account" for . . . . . and said rolls shall be full and sufficient authority for the county treasurer to receive and collect all taxes therein levied: PROVIDED, That the county treasurer shall in no case collect such taxes or issue receipts for the same or enter payment or satisfaction of such taxes upon said assessment rolls before the county treasurer has completed the tax roll for the current year's collection and provided the notification required by RCW 84.56.020. [2007 c 105 § 1; 1994 c 301 § 50; (1975-'76 2nd ex.s. c 10 § 1 expired December 31, 1976); 1965 ex.s. c 7 § 2; 1961 c 15 § 84.56.010. Prior: 1935 c 30 § 1; 1925 ex.s. c 130 § 82; RRS § 11243; prior: 1890 p 561 § 83.]

**84.56.020 Taxes collected by treasurer—Dates of delinquency—Tax statement notice concerning payment by check—Interest—Penalties—Extensions during state of emergency. Treasurers' tax collection duties.**

(1) The county treasurer must be the receiver and collector of all taxes extended upon the tax rolls of the county, whether levied for state, county, school, bridge, road, municipal or other purposes, and also of all fines, forfeitures or penalties received by any person or officer for the use of his or her county. No treasurer may accept tax payments or issue receipts for the same until the treasurer has completed the tax roll for the current year's collection and provided notification of the completion of the roll. Notification may be accomplished electronically, by posting a notice in the office, or through other written communication as determined by the treasurer. All real and personal property taxes and assessments made payable by the provisions of this title are due and payable to the county treasurer on or before the thirtieth day of April and, except as provided in this section, are delinquent after that date.

**Tax statements.**

(2)(a) Tax statements for the current year's collection must be distributed to each taxpayer on or before March 15th provided that:

(i) All city and other taxing district budgets have been submitted to county legislative authorities by November 30th per RCW 84.52.020;

(ii) The county legislative authority in turn has certified taxes levied to the county assessor in accordance with RCW 84.52.070; and

(iii) The county assessor has delivered the tax roll to the county treasurer by January 15th per RCW 84.52.080.

(b) Each tax statement must include a notice that checks for payment of taxes may be made payable to "Treasurer of . . . . . County" or other appropriate office, but tax statements may not include any suggestion that checks may be made payable to the name of the individual holding the office of treasurer nor any other individual.

(c) Each tax statement distributed to an address must include a notice with information describing the:

(i) Property tax exemption program pursuant to RCW 84.36.379 through 84.36.389; and

(ii) Property tax deferral program pursuant to chapter 84.38 RCW.

**Tax payment due dates.**

**On-time tax payments: First-half taxes paid by April 30th and second-half taxes paid by October 31st.**

(3) When the total amount of tax or special assessments on personal property or on any lot, block or tract of real property payable by one person is fifty dollars or more, and if one-half of such tax is paid on or before the thirtieth day of April, the remainder of such tax is due and payable on or before the following thirty-first day of October and is delinquent after that date.

**Delinquent tax payments for current year: First-half taxes paid after April 30th.**

(4) When the total amount of tax or special assessments on any lot, block or tract of real property, personal property, or on any mobile home payable by one person is fifty dollars or more, and if one-half of such tax is paid after the thirtieth day of April but before the thirty-first day of October, together with the applicable interest and penalty on the full amount of tax payable for that year, the remainder of such tax is due and payable on or before the following thirty-first day of October and is delinquent after that date.

**Delinquent tax payments: Interest, penalties, and treasurer duties.**

(5)(a) Except as provided in (c) of this subsection, delinquent taxes under this section are subject to interest as provided in this subsection computed on a monthly basis on the amount of tax delinquent from the date of delinquency until paid. Interest must be calculated at the rate as described below.

(i) Until December 31, 2022, the interest rate is 12 percent per annum for all nonresidential real property, residential real property, and personal property.

(ii) Beginning January 1, 2023, interest rates are as follows:

(A) Nine percent per annum for all residential real property with four or fewer units per taxable parcel, including manufactured/mobile homes as defined in RCW 59.20.030 for taxes levied in 2023 or after; or

(B) Twelve percent per annum for all other property.

(b)(i) Penalties on delinquent taxes under this section may not be assessed beginning January 1, 2022, and through December 31, 2022.

(ii) Beginning January 1, 2023, delinquent taxes under this section are subject to penalties for nonresidential real property, residential real property with greater than four units per taxable parcel, and for personal property as follows:

(A) A penalty of three percent of the amount of tax delinquent is assessed on the tax delinquent on June 1st of the year in which the tax is due.

(B) An additional penalty of eight percent is assessed on the delinquent tax amount on December 1st of the year in which the tax is due.

(iii) Penalties may not be assessed on residential real property with four or fewer units per taxable parcel, including manufactured/mobile homes as defined in RCW 59.20.030.

(c)(i) If a taxpayer is successfully participating in a payment agreement under subsection (15)(b) of this section or a partial payment program pursuant to subsection (15)(c) of this section, the county treasurer may not assess additional penalties on delinquent taxes that are included within the payment agreement. Interest and penalties that have been assessed prior to the payment agreement remain due and payable as provided in the payment agreement.

(ii) The following remain due and payable as provided in any payment agreement:

(A) Interest that has been assessed prior to the payment agreement; and

(B) Penalties assessed prior to January 1, 2022, that have been assessed prior to the payment agreement.

(6) A county treasurer must provide notification to each taxpayer whose taxes have become delinquent under subsections (4) and (5) of this section. The delinquency notice must specify where the taxpayer can obtain information regarding:

(a) Any current tax or special assessments due as of the date of the notice;

(b) Any delinquent tax or special assessments due, including any penalties and interest, as of the date of the notice; and

(c) Where the taxpayer can pay his or her property taxes directly and contact information, including but not limited to the phone number, for the statewide foreclosure hotline recommended by the Washington state housing finance commission.

(7) Within ninety days after the expiration of two years from the date of delinquency (when a taxpayer's taxes have become delinquent), the county treasurer must provide the name and property address of the delinquent taxpayer to a homeownership resource center or any other designated local or state entity recommended by the Washington state housing finance commission.

**Collection of foreclosure costs.**

(8)(a) When real property taxes become delinquent and prior to the filing of the certificate of delinquency, the treasurer is authorized to assess and collect tax foreclosure avoidance costs.

(b) When tax foreclosure avoidance costs are collected, such costs must be credited to the county treasurer service fund account, except as otherwise directed.

(c) For purposes of chapter 84.64 RCW, any taxes, interest, or penalties deemed delinquent under this section remain delinquent until such time as all taxes, interest, and penalties for the tax year in which the taxes were first due and payable have been paid in full.

**Periods of armed conflict.**

(9) Subsection (5) of this section notwithstanding, no interest or penalties may be assessed during any period of armed conflict regarding delinquent taxes imposed on the personal residences owned by active duty military personnel who are participating as part of one of the branches of the military involved in the conflict and assigned to a duty station outside the territorial boundaries of the United States.

**State of emergency.**

(10) During a state of emergency declared under RCW 43.06.010(12), the county treasurer, on his or her own motion or at the request of any taxpayer affected by the emergency, may grant extensions of the due date of any taxes payable under this section as the treasurer deems proper.

**Retention of funds from interest.**

(11) All collections of interest on delinquent taxes must be credited to the county current expense fund.

(12) For purposes of this chapter, "interest" means both interest and penalties.

**Retention of funds from property foreclosures and sales.**

(13) The direct cost of foreclosure and sale of real property, and the direct fees and costs of distraint and sale of personal property, for delinquent taxes, must, when collected, be credited to the operation and maintenance fund of the county treasurer prosecuting the foreclosure or distraint or sale; and must be used by the county treasurer as a revolving fund to defray the cost of further foreclosure, distraint, and sale because of delinquent taxes without regard to budget limitations and not subject to indirect costs of other charges.

**Tax due dates and options for tax payment collections.**

**Electronic billings and payments.**

(14) For purposes of this chapter, and in accordance with this section and RCW 36.29.190, the treasurer may collect taxes, assessments, fees, rates, interest, and charges by electronic billing and payment. Electronic billing and payment may be used as an option by the taxpayer, but the treasurer may not require the use of electronic billing and payment. Electronic bill presentment and payment may be on a monthly or other periodic basis as the treasurer deems proper for:

(a) Delinquent tax year payments; and

(b) Prepayments of current tax.

**Tax payments.**

**Prepayment for current taxes.**

(15)(a) The treasurer may accept prepayments for current year taxes by any means authorized. All prepayments must be paid in full by the due date specified in subsection (16) of this section.

**Payment agreements for current year taxes.**

(b)(i) The treasurer may provide, by electronic means or otherwise, a payment agreement that provides for payment of current year taxes, inclusive of prepayment collection charges. The payment agreement must be signed by the taxpayer and treasurer or the treasurer's deputy prior to the send-

ing of an electronic or alternative bill, which includes a payment plan for current year taxes.

**Payment agreements for delinquent year taxes.**

(ii)(A) The treasurer may provide, by electronic means or otherwise, a payment agreement for payment of past due delinquencies. The payment agreement must be signed by the taxpayer and treasurer or the treasurer's deputy prior to the sending of an electronic or alternative bill, which includes a payment plan for past due delinquent taxes and charges.

(B) Tax payments received by a treasurer for delinquent year taxes from a taxpayer participating on a payment agreement must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

**Partial payments: Acceptance of partial payments for current and delinquent taxes.**

(c)(i) In addition to the payment agreement program in (b) of this subsection, the treasurer may accept partial payment of any current and delinquent taxes including interest and penalties by any means authorized including electronic bill presentment and payments.

(ii) All tax payments received by a treasurer for delinquent year taxes from a taxpayer paying a partial payment must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

**Payment for delinquent taxes.**

(d) Payments on past due taxes must include collection of the oldest delinquent year, which includes interest, penalties, and taxes within an eighteen-month period, prior to filing a certificate of delinquency under chapter 84.64 RCW or distraint pursuant to RCW 84.56.070.

**Due date for tax payments.**

(16) All taxes upon real and personal property made payable by the provisions of this title are due and payable to the treasurer on or before the thirtieth day of April and are delinquent after that date. The remainder of the tax is due and payable on or before the following thirty-first of October and is delinquent after that date. All other assessments, fees, rates, and charges are delinquent after the due date.

**Electronic funds transfers.**

(17) A county treasurer may authorize payment of:

(a) Any current property taxes due under this chapter by electronic funds transfers on a monthly or other periodic basis; and

(b) Any past due property taxes, penalties, and interest under this chapter by electronic funds transfers on a monthly or other periodic basis. Delinquent taxes are subject to interest and penalties, as provided in subsection (5) of this section. All tax payments received by a treasurer from a taxpayer paying delinquent year taxes must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

**Payment for administering prepayment collections.**

(18) The treasurer must pay any collection costs, investment earnings, or both on past due payments or prepayments to the credit of a county treasurer service fund account to be created and used only for the payment of expenses incurred by the treasurer, without limitation, in administering the system for collecting prepayments.

**Waiver of interest and penalties for qualified taxpayers subject to foreclosure.**

(19) No earlier than sixty days prior to the date that is three years after the date of delinquency, the treasurer must waive all outstanding interest and penalties on delinquent taxes due from a taxpayer if the property is subject to an action for foreclosure under chapter 84.64 RCW and the following requirements are met:

(a) The taxpayer is income-qualified under RCW 84.36.381(5)(a), as verified by the county assessor;

(b) The taxpayer occupies the property as their principal place of residence; and

(c) The taxpayer has not previously received a waiver on the property as provided under this subsection.

**Definitions.**

(20) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Electronic billing and payment" means statements, invoices, or bills that are created, delivered, and paid using the internet. The term includes an automatic electronic payment from a person's checking account, debit account, or credit card.

(b) "Internet" has the same meaning as provided in RCW 19.270.010.

(c) "Tax foreclosure avoidance costs" means those direct costs associated with the administration of properties subject to and prior to foreclosure. Tax foreclosure avoidance costs include:

(i) Compensation of employees for the time devoted to administering the avoidance of property foreclosure; and

(ii) The cost of materials, services, or equipment acquired, consumed, or expended in administering tax foreclosure avoidance prior to the filing of a certificate of delinquency. [2022 c 143 § 1. Prior: 2021 c 257 § 1; 2021 c 122 § 15; (2021 c 73 § 1 expired January 1, 2022); 2021 c 42 § 3; 2019 c 332 § 1; 2017 c 142 § 1; 2014 c 13 § 1; 2013 c 239 § 3; 2010 c 200 § 1; 2008 c 181 § 510; 2007 c 105 § 2; 2005 c 502 § 7; 2004 c 161 § 6; 1996 c 153 § 1; prior: 1991 c 245 § 16; 1991 c 52 § 1; 1988 c 222 § 30; 1987 c 211 § 1; 1984 c 131 § 1; 1981 c 322 § 2; 1974 ex.s. c 196 § 1; 1974 ex.s. c 116 § 1; 1971 ex.s. c 288 § 3; 1969 ex.s. c 216 § 3; 1961 c 15 § 84.56.020; prior: 1949 c 21 § 1; 1935 c 30 § 2; 1931 c 113 § 1; 1925 ex.s. c 130 § 83; Rem. Supp. 1949 § 11244; prior: 1917 c 141 § 1; 1899 c 141 § 6; 1897 c 71 § 68; 1895 c 176 § 14; 1893 c 124 § 69; 1890 p 561 § 84; Code 1881 § 2892. Formerly RCW 84.56.020 and 84.56.030.]

**Effective date—2022 c 143:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [March 24, 2022]." [2022 c 143 § 2.]

**Effective date—2021 c 257:** "This act takes effect January 1, 2022." [2021 c 257 § 2.]

**Finding—Intent—2021 c 122:** See note following RCW 2.32.050.

**Effective date—2021 c 73:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [April 16, 2021]." [2021 c 73 § 2.]

**Expiration date—2021 c 73:** "This act expires January 1, 2022." [2021 c 73 § 3.]

**Intent—2021 c 42:** See note following RCW 84.52.070.

**Effective date—2019 c 332:** See note following RCW 84.56.029.

**Findings—2013 c 239:** "The legislature finds that it is difficult for many property owners to pay property taxes under the current system where past due property tax payments must be paid in full, including penalties and interest. The legislature further finds that providing counties and property owners some flexibility in structuring past due property tax payments may

provide some relief for property owners with delinquent tax payments." [2013 c 239 § 2.]

*Payment of taxes upon loss of exempt status: RCW 84.40.380.*

Additional notes found at www.leg.wa.gov

**84.56.022 Tax statement to show voter-approved levies.** Each tax statement shall show the amount of voter-approved: (1) Regular levies except those authorized in RCW 84.55.050; and (2) excess levies. Such amounts may be shown either as a dollar amount or as a percentage of the total amount of taxes. [1995 c 180 § 1; 1994 c 301 § 48.]

**84.56.025 Waiver of interest and penalties—Circumstances—Provision of death certificate and affidavit for certain waivers.** (1) The interest and penalties for delinquencies on property taxes must be waived by the county treasurer if the notice for these taxes due, as provided in RCW 84.56.050, was not sent to a taxpayer due to error by the county. Where waiver of interest and penalties has occurred, the full amount of interest and penalties must be reinstated if the taxpayer fails to pay the delinquent taxes within thirty days of receiving notice that the taxes are due. Each county treasurer must, subject to guidelines prepared by the department of revenue, establish administrative procedures to determine if taxpayers are eligible for this waiver.

(2) In addition to the waiver under subsection (1) of this section, the interest and penalties for delinquencies on property taxes must be waived by the county treasurer under the following circumstances:

(a) The taxpayer fails to make one payment under RCW 84.56.020 by the due date on the taxpayer's personal residence because of hardship caused by the death of the taxpayer's spouse if the taxpayer notifies the county treasurer of the hardship within sixty days of the tax due date; or

(b) The taxpayer fails to make one payment under RCW 84.56.020 by the due date on the taxpayer's parent's or stepparent's personal residence because of hardship caused by the death of the taxpayer's parent or stepparent if the taxpayer notifies the county treasurer of the hardship within sixty days of the tax due date.

(3) In addition to the waivers under subsections (1) and (2) of this section, the county treasurer, at his or her discretion, may waive interest and penalties for delinquencies on property taxes where the taxpayer paid an erroneous amount due to apparent taxpayer error and the taxpayer pays the delinquent taxes within thirty days of receiving notice that the taxes are due.

(4) Before allowing a hardship waiver under subsection (2) of this section, the county treasurer may require a copy of the death certificate along with an affidavit signed by the taxpayer. [2014 c 13 § 2; 2003 c 12 § 1; 1998 c 327 § 1; 1984 c 185 § 1.]

**84.56.029 Payment assistance.** (1) If a taxpayer requests assistance for payment of current year or delinquent taxes, the county assessor, if applicable:

(a) May assist the taxpayer in applying for a property tax exemption program under RCW 84.36.379 through 84.36.389;

(b) May assist the taxpayer in applying for the property tax deferral program under chapter 84.38 RCW; and

(c) Must refer the taxpayer to the statewide foreclosure hotline recommended by the Washington state housing finance commission.

(2) A county treasurer may also refer a taxpayer requesting tax payment assistance to the county assessor's office under subsection (1) of this section. [2019 c 332 § 5.]

**Effective date—2019 c 332:** "This act takes effect January 1, 2020." [2019 c 332 § 8.]

**84.56.035 Special assessments, excise taxes, or rates and charges—Collection by county treasurer authorized.** A local government authorized both to impose and to collect any special assessments, excise taxes, or rates or charges may contract with the county treasurer or treasurers within which the local government is located to collect the special assessments, excise taxes, rates, or charges. If such a contract is entered into, notice of the special assessments, excise taxes, or rates or charges due may be included on the notice of property taxes due, may be included on a separate notice that is mailed with the notice of property taxes due, or may be sent separately from the notice of property taxes due. County treasurers may impose an annual fee for collecting special assessments, excise taxes, or rates or charges not to exceed one percent of the dollar value of special assessments, excise taxes, or rates or charges collected. [1987 c 355 § 1.]

**84.56.050 Treasurer's duties on receiving rolls—Notice of taxes due.** (1) On receipt of the certification of the tax rolls from the county assessor, the county treasurer must transfer all real and personal property taxes from the rolls to the treasurer's tax roll, and must carry forward to the current tax rolls a memorandum of all delinquent taxes on each and every description of property, entering which taxes are delinquent and the amounts for each year. Except as provided otherwise in this section, the treasurer must provide a printed notice or electronically publish, at the expense of the county, information for each taxpayer, regarding the amount of real and personal property, and the name of each tax and levy made on the same. The county treasurer must be the sole collector of all taxes, current or delinquent.

(2) For the purposes of this section, "taxpayer" means any person charged, or whose property is charged, with property tax.

(3) The person to be notified under this section is the person whose name appears on the tax roll herein mentioned. However, if:

(a) No name so appears the person to be notified is the person shown by the treasurer's tax rolls or duplicate tax receipts of any preceding year as the payer of the tax last paid on the property; or

(b) The real property taxes are paid by a bank, as defined in RCW 62A.1-201, the name of each tax and levy in the property tax information on the county treasurer's website satisfies the notice requirements of this section. [2017 c 142 § 2; 1991 c 245 § 17; 1963 c 94 § 1; 1961 c 15 § 84.56.050. Prior: 1941 c 32 § 1; 1939 c 206 § 41; 1937 c 121 § 2; 1925 ex.s. c 130 § 84; Rem. Supp. 1941 § 11245; prior: 1897 c 71 § 69; 1893 c 124 § 70; 1890 p 561 § 85; Code 1881 §§ 2894, 2895.]

**84.56.060 Tax receipts—Current tax only may be paid.** The county treasurer upon receiving any tax paid in cash, shall give to the person paying the same a receipt. The treasurer shall record the payment of all taxes in the treasurer's records by parcel. The owner or owners of property against which there are delinquent taxes, shall have the right to pay the current tax without paying any delinquent taxes there may be against the property. [1991 c 245 § 18; 1971 ex.s. c 35 § 1; 1961 c 15 § 84.56.060. Prior: 1925 ex.s. c 130 § 85; RRS § 11246; prior: 1897 c 71 § 70; 1893 c 124 § 71; 1890 p 561 § 86; Code 1881 § 2899.]

**84.56.070 Personal property—Distraint and sale, notice, property incapable of manual delivery, property about to be removed or disposed of—Mobile or manufactured homes, waiver of interest and penalties.** (1) The county treasurer must proceed to collect all personal property taxes after first completing the tax roll for the current year's collection.

(2) The treasurer must give notice by mail to all persons charged with personal property taxes, and if the taxes are not paid before they become delinquent, the treasurer must commence delinquent collection efforts. A delinquent collection charge for costs incurred by the treasurer may be added to the account.

(3) In the event that the treasurer is unable to collect the taxes when due under this section, the treasurer must prepare papers in distraint, except as provided in (a) of this subsection. The papers must contain a description of the personal property, the amount of taxes including any amounts deferred under chapters 84.37 and 84.38 RCW that are a lien on the personal property to be distrained, the amount of the accrued interest at the rate provided by law from the date of delinquency, and the name of the owner or reputed owner.

(a) Except as provided in (f) of this subsection, nontitle eliminated mobile homes and manufactured homes, as defined in RCW 46.04.302, are subject to distraint no sooner than three years after the date of first delinquency.

(b) The treasurer must without demand or notice distrain sufficient goods and chattels belonging to the person charged with the taxes to pay the same, with interest at the rate provided by law from the date of delinquency, together with all accruing costs. The treasurer must proceed to advertise the distraint by posting written notices in three public places in the county in which the property has been distrained, including the county courthouse. The notice must state the time when and place where the property will be sold.

(c) The county treasurer, or the treasurer's deputy, must tax the same fees for making the distraint and sale of goods and chattels for the payment of taxes as are allowed by law to sheriffs for making levy and sale of property on execution. Traveling fees must be computed from the county seat of the county to the place of making distraint.

(d) If the taxes for which the property is distrained, and the interest and costs accruing thereon, are not paid before the date appointed for the sale, which may not be less than ten days after the taking of the property, the treasurer or treasurer's designee must proceed to sell the property at public auction, or so much thereof as is sufficient to pay the taxes and any amounts deferred under chapters 84.37 and 84.38 RCW that are a lien on the property to be sold, with interest and costs. If there is any excess of money arising from the sale of any personal property, the treasurer must pay the excess less any cost of the auction to the owner of the property so sold or to his or her legal representative.

(e) If necessary to distrain any standing timber owned separately from the ownership of the land upon which the same may stand, or any fish trap, pound net, reef net, set net, or drag seine fishing location, or any other personal property as the treasurer determines to be incapable or reasonably impracticable of manual delivery, it is deemed to have been distrained and taken into possession when the treasurer has, at least thirty days before the date fixed for the sale thereof, filed with the auditor of the county wherein the property is located a notice in writing reciting that the treasurer has distrained the property. The notice must describe the property, give the name of the owner or reputed owner, the amount of the tax due, with interest, and the time and place of sale. A copy of the notice must also be sent to the owner or reputed owner at his or her last known address, by registered letter at least thirty days prior to the date of sale.

(f) If the county treasurer has reasonable grounds to believe that any personal property, including mobile homes, manufactured homes, or park model trailers, upon which taxes have been levied, but not paid, is about to be removed from the county where the property has been assessed, or is about to be destroyed, sold, or disposed of, the county treasurer may demand the taxes, without the notice provided for in this section, and if necessary distrain sufficient goods and chattels to pay the same.

(4) The county treasurer must waive outstanding interest and penalties on delinquent taxes due from the title owner of a mobile or manufactured home if the property is subject to an action for distraint under this section and the following requirements are met:

(a) The title owner is income-qualified under RCW 84.36.381(5)(a), as verified by the county assessor;

(b) The title owner occupies the property as the owner's principal place of residence;

(c) The title owner or agent is paying the delinquent base taxes owed on the year or years that the outstanding interest and penalties are being waived and submits a complete application at least fourteen days prior to recording of distraint documents; and

(d) The title owner has not previously received a waiver on the property as provided under this section.

(5) As an alternative to the sale procedure specified in this section, the county treasurer may conduct a public auction sale by electronic media pursuant to RCW 36.16.145. [2020 c 175 § 1; 2019 c 75 § 2; 2015 c 95 § 8; 2013 c 239 § 4; 2009 c 350 § 2; 2007 c 295 § 5; 1991 c 245 § 19; (1975-'76 2nd ex.s. c 10 § 2 expired December 31, 1976); 1961 c 15 § 84.56.070. Prior: 1949 c 21 § 2; 1935 c 30 § 4; 1933 c 33 § 1; 1925 ex.s. c 130 § 86; Rem. Supp. 1949 § 11247; prior: 1915 c 137 § 1; 1911 c 24 § 2; 1899 c 141 § 7; 1897 c 71 § 71; 1895 c 176 § 15; 1893 c 124 § 72; 1890 p 561 § 87; Code 1881 § 2903. Formerly RCW 84.56.070, 84.56.080, and 84.56.100.]

**Intent—2015 c 95:** See note following RCW 36.16.145.

**Findings—2013 c 239:** See note following RCW 84.56.020.

*Issuance of warrant: RCW 84.56.075.*

**84.56.075 Issuance of warrant by court for property subject to distraint.** (1) When there is probable cause to believe that there is property within the county subject to distraint pursuant to RCW 84.56.070 or 84.56.090, any judge of the superior court or district court in the county in which such property is located may, upon the request of the county treasurer or their deputy, issue a warrant directed to the county treasurer or their deputy commanding the search for and seizure of the property described in the request for warrant at the place or places described in the request for warrant.

(2) The procedure for the issuance and execution and return of the warrant authorized by this section and for return of any property seized shall be the criminal rules of the superior court and the district court.

(3) Property seized under this section shall be disposed of as provided in RCW 84.56.070 or 84.56.090.

(4) This section does not require the application for or issuance of any warrant not otherwise required by law. [2006 c 286 § 1.]

**84.56.090 Distraint and sale of property about to be removed, dissipated, sold, or disposed of—Computation of taxes, entry on rolls, tax liens.** (1) Whenever in the judgment of the assessor or the county treasurer personal property is being removed or is about to be removed from the state, or is being dissipated or about to be dissipated, or is being or about to be sold, disposed of, or removed from the county so as to jeopardize collection of taxes, the treasurer must immediately prepare papers in distraint. The papers must contain a description of the personal property, including mobile homes, manufactured homes, or park model trailers, being or about to be removed, dissipated, sold, disposed of, or removed from the county so as to jeopardize collection of taxes, the amount of the tax, the amount of accrued interest at the rate provided by law from the date of delinquency, and the name of the owner or reputed owner. The treasurer must, without demand or notice, distrain sufficient goods and chattels belonging to the person charged with the taxes to pay the taxes with interest at the rate provided by law from the date of delinquency, together with all accruing costs. The treasurer must advertise and sell the property as provided in RCW 84.56.070 or subsection (4) of this section.

(2) If the personal property is being removed or is about to be removed from the state, is being dissipated or about to be dissipated, or is being or about to be sold, disposed of, or removed from the county so as to jeopardize collection of taxes, at any time subsequent to the first day of January in any year, and prior to the levy of taxes thereon, the taxes upon the property so distrained must be computed upon the rate of levy for state, county, and local purposes for the preceding year. All taxes collected in advance of levy under this section and RCW 84.56.120, together with the name of the owner and a brief description of the property assessed, must be entered forthwith by the county treasurer upon the personal property tax rolls of such preceding year, and all collections thereon must be considered and treated in all respects, and without recourse by either the owner or any taxing unit, as collections for such preceding year. Property on which taxes are thus collected are discharged from the lien of any taxes that may thereafter be levied in the year in which payment or collection is made.

(3) Whenever property has been removed from the county wherein it has been assessed, on which the taxes have not been paid, then the county treasurer, or the treasurer's deputy, has the same power to distrain and sell the property for the satisfaction of the taxes as he or she would have if the property were situated in the county in which the property was taxed. In addition, the treasurer, or the treasurer's deputy, in the distraint and sale of property for the payment of taxes, has the same powers as the sheriff in making levy and sale of property on execution.

(4) As an alternative to the sale procedure specified in RCW 84.56.070, the county treasurer may conduct a public auction sale by electronic media pursuant to RCW 36.16.145. [2015 c 95 § 9; 2013 c 23 § 369; 2007 c 295 § 6; 1985 c 83 § 1; 1961 c 15 § 84.56.090. Prior: 1949 c 21 § 3; 1939 c 206 § 43; 1937 c 20 § 1; 1925 ex.s. c 130 § 89; Rem. Supp. 1949 § 11250; prior: 1907 c 29 § 1. Formerly RCW 84.56.090, 84.56.110, 84.56.130, and 84.56.140.]

**Intent—2015 c 95:** See note following RCW 36.16.145.

*Issuance of warrant: RCW 84.56.075.*

**84.56.120 Removal of property from county or state after assessment without paying tax.** After personal property has been assessed, it shall be unlawful for any person to remove the personal property subject to tax liens created pursuant to RCW 84.60.010 and 84.60.020 from the county in which the property was assessed and from the state until taxes and interest are paid, or until notice has been given to the county treasurer describing the property to be removed and in case of public or private sales of personal property, a list of the property desired to be sold shall be sent to the treasurer, the tax will be computed upon the consolidated tax levy for the previous year. Any taxes owed shall become an automatic lien upon the proceeds of any auction and shall be remitted to the county treasurer before final distribution to any person, as defined in this section. If proceeds are distributed in violation of this section, the seller or agent of the seller shall assume all liability for taxes, interest, and penalties owed to the county treasurer. Any person violating the provisions of this section shall be guilty of a misdemeanor. For the purposes of this section, "person" includes a property owner, mortgagor, creditor, or agent. [2004 c 79 § 6; 2003 c 23 § 2; 1991 c 245 § 20; 1961 c 15 § 84.56.120. Prior: 1925 ex.s. c 130 § 88; RRS § 11249; prior: 1907 c 29 § 2.]

**84.56.150 Removal of personalty—Certification of tax by treasurer.** If any person, firm, or corporation removes from one county to another in this state personal property that has been assessed in the former county for a tax that is unpaid at the time of such removal, the treasurer of the county from which the property is removed must certify to the treasurer of the county to which the property has been moved a statement of the tax together with all delinquencies and penalties. [2020 c 139 § 56; 1961 c 15 § 84.56.150. Prior: 1925 ex.s. c 130 § 90; RRS § 11251; prior: 1899 c 32 § 1.]

**84.56.160 Certification of statement of taxes and delinquency.** The treasurer of any county of this state shall have the power to certify a statement of taxes and delinquencies of any person, firm, company or corporation, or of any

tax on personal property together with all penalties and delinquencies, which statement shall be under seal and contain a transcript of the tax collection records and so much of the tax roll as shall affect the person, firm, company or corporation or personal property to the treasurer of any county of this state, wherein any such person, firm, company or corporation has any real or personal property. [1994 c 301 § 51; 1961 c 15 § 84.56.160. Prior: 1925 ex.s. c 130 § 91; RRS § 11252; prior: 1899 c 32 § 2.]

**84.56.170 Collection of certified taxes—Remittance.** The treasurer of any county of this state receiving the certified statement provided for in RCW 84.56.150 and 84.56.160, shall have the same power to collect the taxes, penalties and delinquencies so certified as the treasurer has to collect the personal taxes levied on personal property in his or her own county, and as soon as the said taxes are collected they shall be remitted, less the cost of collecting same, to the treasurer of the county to which said taxes belong, by the treasurer collecting them. [1994 c 301 § 52; 1961 c 15 § 84.56.170. Prior: 1925 ex.s. c 130 § 92; RRS § 11253; prior: 1899 c 32 § 3.]

**84.56.200 Removal of timber or improvements on which tax is delinquent—Penalty.** It shall be unlawful for any person, firm or corporation to remove any timber from timbered lands, no portion of which is occupied for farming purposes by the owner thereof, or to remove any building or improvements from lands, upon which taxes are delinquent until the taxes thereon have been paid.

Any person violating the provisions of this section shall be guilty of a gross misdemeanor. [1961 c 15 § 84.56.200. Prior: 1925 ex.s. c 130 § 11; RRS § 11115.]

**84.56.210 Severance of standing timber assessed as realty—Timber tax may be collected as personalty tax.** Whenever standing timber which has been assessed as real estate is severed from the land as part of which it was so assessed, it may be considered by the county assessor as personal property, and the county treasurer shall thereafter be entitled to pursue all of the rights and remedies provided by law for the collection of personal property taxes in the collection of taxes levied against such timber: PROVIDED, That whenever the county assessor elects to treat severed timber as personalty under the provisions of this section, he or she shall immediately give notice by mail to the person or persons charged with the tax of the fact of his or her election, and the amount of tax standing against the timber. [2013 c 23 § 370; 1961 c 15 § 84.56.210. Prior: 1939 c 206 § 42; 1929 c 70 § 1; RRS § 11247-1.]

**84.56.220 Lien of personalty tax follows insurance.** In the event of the destruction of personal property, the lien of the personal property tax shall attach to and follow any insurance that may be upon the property and the insurer shall pay to the county treasurer from the insurance money all taxes, interest and costs that may be due. [1991 c 245 § 21; 1961 c 15 § 84.56.220. Prior: 1935 c 30 § 5; 1925 ex.s. c 130 § 87; RRS § 11248; prior: 1921 c 117 § 1; 1911 c 24 § 3.]

**84.56.230 Monthly distribution of taxes collected.** On the first day of each month the county treasurer shall distribute pro rata to those taxing districts for which the county treasurer also serves as the district treasurer, according to the rate of levy for each fund, the amount collected as consolidated tax during the preceding month: PROVIDED, HOWEVER, That the county treasurer, at his or her option, may distribute the total amount of such taxes collected according to the ratio that the levy of taxes made for each taxing district in the county bears to such total amount collected. On or before the tenth day of each month the county treasurer shall remit to the respective city treasurers and all other taxing districts for which the county treasurer does not serve as district treasurer, their pro rata share of all taxes collected for the previous month as provided for in RCW 36.29.110. [2002 c 81 § 1; 1991 c 245 § 22; 1973 1st ex.s. c 43 § 1; 1961 c 15 § 84.56.230. Prior: 1925 ex.s. c 130 § 93; RRS § 11254; prior: 1890 p 564 § 95.]

**84.56.240 Cancellation of uncollectible personalty taxes.** If the county treasurer is unable, for the want of goods or chattels whereupon to levy, to collect by distress or otherwise, the taxes, or any part thereof, which may have been assessed upon the personal property of any person or corporation, or an executor or administrator, guardian, receiver, accounting officer, agent or factor, the treasurer shall file with the county legislative authority, on the first day of February following, a list of such taxes, with an affidavit of the treasurer or of the deputy treasurer entrusted with the collection of the taxes, stating that the treasurer had made diligent search and inquiry for goods and chattels wherewith to make such taxes, and was unable to make or collect the same. The county legislative authority shall cancel such taxes as the county legislative authority is satisfied cannot be collected. [1997 c 393 § 14; 1961 c 15 § 84.56.240. Prior: 1925 ex.s. c 130 § 94; RRS § 11255; prior: 1899 c 141 § 8; 1897 c 71 § 72; 1895 c 176 § 16; 1893 c 124 § 73; 1890 p 562 § 88.]

**84.56.250 Penalty for willful noncollection to file delinquent list.** (1) If any county treasurer willfully refuses to collect any taxes assessed upon personal property, where the same is collectible, or to file the delinquent list and affidavit, as provided in RCW 84.56.300, the treasurer shall be held, in his or her next settlement with the county legislative authority, liable for the whole amount of such taxes uncollected, and the same shall be deducted from his or her salary and applied to the several funds for which they were levied.

(2) By June 30 of each year, each county treasurer must reportthe amount of uncollected personal property and real property taxesfrom the previous calendar year, where a treasurer refused to collectsuch taxes under subsection (1) of this section, to the department ofcommerce. The department of commerce must submit a summarized list ofuncollected taxes by county to the legislature by July 15 of eachyear. [2019 c 433 § 1; 2001 c 299 § 19; 1961 c 15 § 84.56.250. Prior: 1925 ex.s. c 130 § 95; RRS § 11256; prior: 1897 c 71 § 73; 1893 c 124 § 74; 1890 p 563 § 91.]

**84.56.260 Continuing responsibility to collect taxes, special assessments, fees, rates, or other charges.** The power and duty to levy on property and collect any tax due

and unpaid shall be the responsibility of the county treasurer until the tax is paid; and the certification of the assessment roll shall continue in force and confer authority upon the treasurer to whom the same was issued to collect any tax due and uncollected thereon. This section shall apply to all assessment rolls, special assessments, fees, rates, or other charges for which the treasurer has the responsibility for collection. [1991 c 245 § 23; 1984 c 250 § 7; 1961 c 15 § 84.56.260. Prior: 1925 ex.s. c 130 § 96; RRS § 11257; prior: 1897 c 71 § 74; 1893 c 124 § 75.]

**84.56.270 Court cancellation of personalty taxes more than four years delinquent.** The county treasurer of any county of the state of Washington, after he or she has first received the approval of the board of county commissioners of such county, through a resolution duly adopted, is hereby empowered to petition the superior court in or for his or her county to finally cancel and completely extinguish the lien of any delinquent personal property tax which appears on the tax rolls of his or her county, which is more than four years delinquent, which he or she attests to be beyond hope of collection, and the cancellation of which will not impair the obligation of any bond issue nor be precluded by any other legal impediment that might invalidate such cancellation. The superior court shall have jurisdiction to hear any such petition and to enter such order as it shall deem proper in the premises. [2013 c 23 § 372; 1984 c 132 § 5; 1961 c 15 § 84.56.270. Prior: 1945 c 59 § 1; Rem. Supp. 1945 § 11265-1.]

**84.56.280 Settlement with state for state taxes—Penalty.** Immediately after the last day of each month, the county treasurer shall pay over to the state treasurer the amount collected by the county treasurer and credited to the various state funds, but every such payment shall be subject to correction for error discovered. If they are not paid to the state treasurer before the twentieth day of the month the state treasurer shall make a sight draft on the county treasurer for such amount. Should any county treasurer fail or refuse to honor the draft or make payment of the amount thereon, except for manifest error or other good and sufficient cause, the county treasurer shall be guilty of nonfeasance in office and upon conviction thereof shall be punished according to law. [1991 c 245 § 24; 1979 ex.s. c 86 § 7; 1961 c 15 § 84.56.280. Prior: 1955 c 113 § 2; prior: 1949 c 69 § 1, part; 1933 c 35 § 1, part; 1925 ex.s. c 130 § 97, part; Rem. Supp. 1949 § 11258, part; prior: 1899 c 141 § 9, part; 1897 c 71 § 76, part; 1895 c 176 § 17, part; 1893 c 124 § 77, part; 1890 p 565 § 96, part; Code 1881 § 2942, part.]

Additional notes found at www.leg.wa.gov

**84.56.290 Adjustment with state for reduced or canceled taxes and for taxes on assessments not on the certified assessment list.** Whenever any tax shall have been heretofore, or shall be hereafter, canceled, reduced or modified in any final judicial, county board of equalization, state board of tax appeals, or administrative proceeding; or whenever any tax shall have been heretofore, or shall be hereafter canceled by sale of property to any irrigation district under foreclosure proceedings for delinquent irrigation district assessments; or whenever any contracts or leases on public lands shall have been heretofore, or shall be hereafter, canceled and the tax thereon remains unpaid for a period of two years, the director of revenue shall, upon receipt from the county treasurer of a certified copy of the final judgment, order, or decree canceling, reducing, or modifying taxes, or of a certificate from the county treasurer of the cancellation by sale to an irrigation district, or of a certificate from the commissioner of public lands and the county treasurer of the cancellation of public land contracts or leases and nonpayment of taxes thereon, as the case may be, make corresponding entries and corrections on the director's records of the state's portion of reduced or canceled tax.

Upon canceling taxes deemed uncollectible, the county commissioners shall notify the county treasurer of such action, whereupon the county treasurer shall deduct on the treasurer's records the amount of such uncollectible taxes due the various state funds and shall immediately notify the department of revenue of the treasurer's action and of the reason therefor; which uncollectible tax shall not then nor thereafter be due or owing the various state funds and the necessary corrections shall be made by the county treasurer upon the quarterly settlement next following.

When any assessment of property is made which does not appear on the assessment list certified by the county board of equalization to the department of revenue the county assessor shall indicate to the county treasurer the assessments and the taxes due therefrom when the list is delivered to the county treasurer on December 15th. The county treasurer shall then notify the department of revenue of the taxes due the state from the assessments which did not appear on the assessment list certified by the county board of equalization to the department of revenue. The county treasurer shall make proper accounting of all sums collected as either advance tax, compensating or additional tax, or supplemental or omitted tax and shall notify the department of revenue of the amounts due the various state funds according to the levy used in extending such tax, and those amounts shall immediately become due and owing to the various state funds, to be paid to the state treasurer in the same manner as taxes extended on the regular tax roll. [1991 c 245 § 37; 1987 c 168 § 3; 1979 ex.s. c 86 § 8; 1961 c 15 § 84.56.290. Prior: 1955 c 113 § 3; prior: 1949 c 69 § 1, part; 1933 c 35 § 1, part; 1925 ex.s. c 130 § 97, part; Rem. Supp. 1949 § 11258, part; prior: 1899 c 141 § 9, part; 1897 c 71 § 76, part; 1895 c 176 § 17, part; 1893 c 124 § 77, part; 1890 p 565 § 96, part; Code 1881 § 2942, part.]

Additional notes found at www.leg.wa.gov

**84.56.300 Annual report of collections to county auditor.** On the first Monday of February of each year the county treasurer shall balance up the tax rolls as of December 31 of the prior year in the treasurer's hands and with which the treasurer stands charged on the roll accounts of the county auditor. The treasurer shall then report to the county auditor in full the amount of taxes collected and specify the amount collected on each fund. The treasurer shall also report the amount of taxes that remain uncollected and delinquent upon the tax rolls, which, with collections and credits on account of errors and double assessments, should balance the tax rolls as the treasurer stands charged. The treasurer shall then report the amount of collections on account of interest since the taxes became delinquent, and as added to the original

amounts when making such collections, and with which the treasurer is now to be charged by the auditor, such reports to be duly verified by affidavit. [1997 c 393 § 15; 1973 1st ex.s. c 45 § 1; 1961 c 15 § 84.56.300. Prior: 1925 ex.s. c 130 § 98; RRS § 11259; prior: 1899 c 141 § 10; 1897 c 71 § 77; 1895 c 176 § 18; 1893 c 124 § 78; 1890 p 565 § 99.]

**84.56.310 Interested person may pay real property taxes—Limitation.** Any person being the owner or having an interest in an estate or claim to real property against which taxes have not been paid may pay the same and satisfy the lien at any time before the filing of a certificate of delinquency against the real property. The person or authority who shall collect or receive the same shall give a certificate that such taxes have been so paid to the person or persons entitled to demand such certificate. After the filing of a certificate of delinquency, the redemption rights shall be controlled by RCW 84.64.060. [2005 c 502 § 8; 1961 c 15 § 84.56.310. Prior: 1925 ex.s. c 130 § 100; RRS § 11261; prior: 1897 c 71 § 79; 1893 c 124 § 84.]

Additional notes found at www.leg.wa.gov

**84.56.320 Recovery by occupant or tenant paying realty taxes.** When any tax on real property is paid by or collected of any occupant or tenant, or any other person, which, by agreement or otherwise, ought to have been paid by the owner, lessor, or other party in interest, such occupant, tenant, or other person may recover by action the amount which such owner, lessor, or party in interest ought to have paid, with interest thereon at the rate of ten percent per annum, or he or she may retain the same from any rent due or accruing from him or her to such owner or lessor for real property on which such tax is so paid; and the same shall, until paid, constitute a lien upon such real property. [2013 c 23 § 373; 1961 c 15 § 84.56.320. Prior: 1925 ex.s. c 130 § 102; RRS § 11263; prior: 1897 c 71 § 81; 1893 c 124 § 86; 1890 p 583 § 133.]

**84.56.330 Payment by mortgagee or other lienholder.** Any person who has a lien by mortgage or otherwise, upon any real property upon which any taxes have not been paid, may pay such taxes, and the interest, penalty and costs thereon; and the receipt of the county treasurer or other collecting official shall constitute an additional lien upon such land, to the amount therein stated, and the amount so paid and the interest thereon at the rate specified in the mortgage or other instrument shall be collectible with, or as a part of, and in the same manner as the amount secured by the original lien: PROVIDED, That the person paying such taxes shall pay the same as mortgagee or other lienholder and shall procure the receipt of the county treasurer therefor, showing the mortgage or other lien relationship of the person paying such taxes, and the same shall have been recorded with the county auditor of the county wherein the said real estate is situated, within ten days after the payment of such taxes and the issuance of such receipt. It shall be the duty of any treasurer issuing such receipt to make notation thereon of the lien relationship claim of the person paying such taxes. It shall be the duty of the county auditor in such cases to index and record such receipts in the same manner as provided for the recording of liens on real estate, upon the payment to the county auditor of the appropriate recording fees by the person presenting the same for recording: AND PROVIDED FURTHER, That in the event the above provision be not complied with, the lien created by any such payment shall be subordinate to the liens of all mortgages or encumbrances upon such real property, which are senior to the mortgage or other lien of the person so making such payment. [1999 c 233 § 23; 1961 c 15 § 84.56.330. Prior: 1933 c 171 § 1; RRS § 11263-1.]

Additional notes found at www.leg.wa.gov

**84.56.335 Manufactured/mobile home or park model trailer landlord tax responsibility.** (1) Except as provided in subsection (2) of this section, if the landlord of a manufactured/mobile home park takes ownership of a manufactured/mobile home or park model trailer with the intent to resell or rent the same after (a) the manufactured/mobile home or park model trailer has been abandoned; or (b) a final judgment for restitution of the premises under RCW 59.18.410 has been executed in favor of the landlord with regard to the manufactured/mobile home or park model trailer and title has been lawfully transferred to the landlord, the outstanding taxes become the responsibility of the landlord. After the outstanding taxes, interest, and penalties are removed from the tax rolls under subsection (2) of this section, all future taxes are the responsibility of the owner of the manufactured/mobile home or park model trailer.

(2) Upon notification by the assessor, the county treasurer must remove from the tax rolls any outstanding taxes, as well as interest and penalties, on a manufactured/mobile home or park model trailer if the landlord of a manufactured/mobile home park:

(a) Submits a signed affidavit to the assessor indicating that the landlord has taken ownership of the manufactured/mobile home or park model trailer with the intent to resell or rent after: (i) The manufactured/mobile home or park model trailer has been abandoned; or (ii) a final judgment for restitution of the premises under RCW 59.18.410 has been executed in favor of the landlord with regard to the manufactured/mobile home or park model trailer and title has been lawfully transferred to the landlord; and

(b) The most current assessed value of the manufactured/mobile home or park model trailer is less than eight thousand dollars.

(3) For the purposes of this section, "abandoned," "manufactured/mobile home," and "park model" have the same meanings as provided in RCW 59.20.030. [2013 c 198 § 1.]

**84.56.340 Payment on part of parcel or tract or on undivided interest or fractional interest—Division—Certification—Appeal.** Any person desiring to pay taxes upon any part or parts of real property heretofore or hereafter assessed as one parcel, or tract, or upon such person's undivided fractional interest in such a property, may do so by applying to the county assessor, who must carefully investigate and ascertain the relative or proportionate value said part or part interest bears to the whole tract assessed, on which basis the assessment must be divided, and the assessor shall forthwith certify such proportionate value to the county treasurer: PROVIDED, That excepting when property is being acquired for public use, or where a person or financial institution desires to pay the taxes and any penalties and interest

on a mobile home upon which they have a lien by mortgage or otherwise, no segregation of property for tax purposes shall be made under this section unless all current year and delinquent taxes and assessments on the entire tract have been paid in full. The county treasurer, upon receipt of certification, shall duly accept payment and issue receipt on the apportionment certified by the county assessor. In cases where protest is filed to said division appeal shall be made to the county legislative authority at its next regular session for final division, and the county treasurer shall accept and receipt for said taxes as determined and ordered by the county legislative authority. Any person desiring to pay on an undivided interest in any real property may do so by paying to the county treasurer a sum equal to such proportion of the entire taxes charged on the entire tract as interest paid on bears to the whole. [2003 c 23 § 3; 1997 c 393 § 16; 1996 c 153 § 2; 1994 c 301 § 53; 1985 c 395 § 4; 1971 ex.s. c 48 § 1; 1961 c 15 § 84.56.340. Prior: 1939 c 206 § 44; 1933 c 171 § 2; 1925 ex.s. c 130 § 103; RRS § 11264; prior: 1899 c 141 § 11; 1897 c 71 § 82; 1893 c 124 § 87; 1890 p 583 § 134. Formerly RCW 84.56.340 and 84.56.350.]

Additional notes found at www.leg.wa.gov

**84.56.345 Alteration of property lines—Payment of taxes and assessments.** Every person who offers a document to the auditor of the proper county for recording that results in any division, alteration, or adjustment of real property boundary lines, except as provided for in RCW 58.04.007(1) and 84.40.042(1)(c), must present a certificate of payment from the proper officer who is in charge of the collection of taxes and assessments for the affected property or properties. All taxes and assessments, both current and delinquent must be paid. For purposes of chapter 502, Laws of 2005, liability begins on January 1st. [2017 c 109 § 2; 2005 c 502 § 6.]

Additional notes found at www.leg.wa.gov

**84.56.360 Separate ownership of improvements—Separate payment authorized.** In any case where buildings, structures or improvements are held in separate ownership from the fee as a part of which they have been assessed for the purpose of taxation, any person desiring to pay separately the tax upon the buildings, structures or improvements may do so under the provisions of this section, RCW 84.56.370 and 84.56.380. [1961 c 15 § 84.56.360. Prior: 1939 c 155 § 1; RRS § 11264-1.]

**84.56.370 Separate ownership of improvements—Procedure for segregation of improvement tax.** Such person may apply to the county assessor for a certificate showing the total assessed value of the land together with all buildings, structures or improvements located thereon and the assessed value of the building, structure or improvement the tax upon which the applicant desires to pay. It shall be the duty of the county assessor to issue such certificate of segregation upon written application accompanied by an affidavit attesting to the fact of separate ownership of land and improvements. Upon presentation of such certificate of segregation to the county treasurer, that officer shall segregate the total tax in accordance therewith and accept and receipt for the payment of that proportion of total tax which is shown to be due against any building, structure or improvement upon which the applicant desires to pay. [1961 c 15 § 84.56.370. Prior: 1939 c 155 § 2; RRS § 11264-2.]

**84.56.380 Separate ownership of improvements—Segregation or payment not to release lien.** A segregation or payment under RCW 84.56.360 and 84.56.370 shall not release the land or the building, structure or improvement paid on from any tax lien to which it would otherwise be subject. [1961 c 15 § 84.56.380. Prior: 1939 c 155 § 3; RRS § 11264-3.]

**84.56.430 Relisting and relevy of tax adjudged void.** If any tax or portion of any tax heretofore or hereafter levied on any property liable to taxation is prevented from being collected for any year or years, by reason of any erroneous proceeding connected with either the assessment, listing, equalization, levying or collection thereof, or failure of any taxing, assessing or equalizing officer or board to give notice of any hearing or proceeding connected therewith, or, if any such tax or any portion of any such tax heretofore or hereafter levied has heretofore or is hereafter recovered back after payment by reason of any such erroneous proceedings, the amount of such tax or portion of such tax which should have been paid upon such property except for such erroneous proceeding, shall be added to the tax levied on such property for the year next succeeding the entry of final judgment adjudging such tax or portion of tax to have been void. If any tax or portion of a tax levied against any property for any year has been, or is hereafter adjudged void because of any such erroneous proceeding as hereinbefore set forth, the county and state officers authorized to levy and assess taxes on said property shall proceed, in the year next succeeding, to relist and reassess said property and to reequalize such assessment, and to relevy and collect the taxes thereon as of the year that said void tax or portion of tax was levied, in the same manner, and with the same effect as though no part of said void tax had ever been levied or assessed upon said property: PROVIDED, That such tax as reassessed and relevied shall be figured and determined at the same tax-rate as such erroneous tax was or should have been figured and determined, and in paying the tax so reassessed and relevied the taxpayer shall be credited with the amount of any taxes paid upon property retaxed for the year or years for which the reassessment is made. [1961 c 15 § 84.56.430. Prior: 1927 c 290 § 1; 1925 ex.s. c 130 § 108; RRS § 11269; prior: 1897 c 71 § 87; 1893 c 124 § 90. Formerly RCW 84.24.080.]

**84.56.440 Ships and vessels—Collection of fees and taxes—Delinquent fees and taxes—Extensions during state of emergency—Withholding decal for failure to pay taxes or fees.** (1) The department of revenue shall collect the derelict vessel removal fee imposed under RCW 79.100.180 and all ad valorem taxes upon ships and vessels listed with the department in accordance with RCW 84.40.065, and all applicable interest and penalties on such taxes and fees. The taxes and derelict vessel removal fee shall be due and payable to the department on or before the thirtieth day of April and shall be delinquent after that date.

(2) If payment of the tax, derelict vessel removal fee, or both, is not received by the department by the due date, there

shall be imposed a penalty of five percent of the amount of the unpaid tax and fee; and if the tax and fee are not received within thirty days after the due date, there shall be imposed a total penalty of ten percent of the amount of the unpaid tax and fee; and if the tax and fee are not received within sixty days after the due date, there shall be imposed a total penalty of twenty percent of the amount of the unpaid tax and fee. No penalty so added shall be less than five dollars.

(3) Delinquent taxes under this section are subject to interest at the rate set forth in RCW 82.32.050 from the date of delinquency until paid. Delinquent derelict vessel removal fees are also subject to interest at the same rate and in the same manner as provided for delinquent taxes under RCW 82.32.050. Interest or penalties collected on delinquent taxes and derelict vessel removal fees under this section shall be paid by the department into the general fund of the state treasury.

(4) If upon information obtained by the department it appears that any ship or vessel required to be listed according to the provisions of RCW 84.40.065 is not so listed, the department shall value the ship or vessel and assess against the owner of the vessel the taxes and derelict vessel removal fees found to be due and shall add thereto interest at the rate set forth in RCW 82.32.050 from the original due date of the tax and fee until the date of payment. The department shall notify the vessel owner by mail of the amount and the same shall become due and shall be paid by the vessel owner within thirty days of the date of the notice. If payment is not received by the department by the due date specified in the notice, the department shall add a penalty of ten percent of the tax and fee found due. A person who willfully gives a false listing or willfully fails to list a ship or vessel as required by RCW 84.40.065 shall be subject to the penalty imposed by RCW 84.40.130(2), which shall be assessed and collected by the department.

(5) Delinquent taxes and fees under this section, along with all penalties and interest thereon, shall be collected by the department according to the procedures set forth in chapter 82.32 RCW for the filing and execution of tax warrants, including the imposition of warrant interest. In the event a warrant is issued by the department for the collection of taxes, derelict vessel removal fees, or both, under this section, the department shall add a penalty of five percent of the amount of the delinquent tax and fee, but not less than ten dollars.

(6) During a state of emergency declared under RCW 43.06.010(12), the department, on its own motion or at the request of any taxpayer affected by the emergency, may grant extensions of the due date of any taxes and fees payable under this section as the department deems proper.

(7) The department of revenue must withhold the decals required under RCW 88.02.570(10) for failure to pay the state property tax or derelict vessel removal fee collectible under this section. [2014 c 195 § 403; 2008 c 181 § 511; 1993 c 33 § 6.]

**Effective date—2014 c 195 §§ 401-403:** See note following RCW 79.100.180.

**Findings—Intent—2014 c 195:** See notes following RCW 79.100.170 and 79.100.180.

Additional notes found at www.leg.wa.gov

## Chapter 84.60 RCW
## LIEN OF TAXES

Sections



**84.60.010 Priority of tax lien.** All taxes and levies which may hereafter be lawfully imposed or assessed are declared to be a lien respectively upon the real and personal property upon which they may hereafter be imposed or assessed, which liens include all charges and expenses of and concerning the taxes which, by the provisions of this title, are directed to be made. The lien has priority to and must be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the real and personal property may become charged or liable, except that the lien is of equal rank with liens for amounts deferred under chapter 84.37 or 84.38 RCW. [2013 c 221 § 10; 1969 ex.s. c 251 § 1; 1961 c 15 § 84.60.010. Prior: 1925 ex.s. c 130 § 99; RRS § 11260; prior: 1897 c 71 § 78; 1895 c 176 § 19; 1893 c 124 § 79; 1890 p 584 § 135.]

**84.60.020 Attachment of tax liens.** The taxes assessed upon real property, including mobile homes assessed thereon, and other mobile homes as defined in RCW 82.50.010 shall be a lien thereon from and including the first day of January in the year in which they are levied until the same are paid, but as between the grantor or vendor and the grantee or purchaser of any real property or any such mobile home, when there is no express agreement as to payment of the taxes thereon due and payable in the calendar year of the sale or the contract to sell, the grantor or vendor shall be liable for the same proportion of such taxes as the part of the calendar year prior to the day of the sale or the contract to sell bears to the whole of such calendar year, and the grantee or purchaser shall be liable for the remainder of such taxes and subsequent taxes. The lien for the property taxes assessed on a mobile home shall be terminated and absolved for the year subsequent to the year of its removal from the state, when notice is given to the county treasurer describing the mobile home, if all property taxes due at the time of removal are satisfied. The taxes assessed upon each item of personal property assessed shall be a lien upon such personal property except mobile homes as above provided from and after the date upon which the same is listed with and valued by the county assessor, and no sale or transfer of such personal property shall in any way affect the lien for such taxes upon such property. The taxes assessed upon personal property shall be a lien upon each item of personal property of the person assessed, distrained by the treasurer as provided in RCW 84.56.070, from and after the date of the distraint and no sale or transfer of such personal property so distrained shall in any way affect the lien for such taxes upon such property. The taxes assessed upon personal property shall be a lien upon the real property of the person assessed, selected by the county treasurer and

designated and charged upon the tax rolls as provided in RCW 84.60.040, from and after the date of such selection and charge and no sale or transfer of such real property so selected and charged shall in any way affect the lien for such personal property taxes upon such property. [1985 c 395 § 5; 1977 ex.s. c 22 § 8; 1961 c 15 § 84.60.020. Prior: 1943 c 34 § 1; 1939 c 206 § 45; 1935 c 30 § 7; 1925 ex.s. c 130 § 104; Rem. Supp. 1943 § 11265; prior: 1903 c 59 § 3; 1897 c 71 § 83; 1895 c 176 § 21; 1893 c 124 § 88. Formerly RCW 84.60.020 and 84.60.030.]

Additional notes found at www.leg.wa.gov

**84.60.040 Charging personalty tax against realty.** When it becomes necessary, in the opinion of the county treasurer, to charge the tax on personal property against real property, in order that such personal property tax may be collected, such county treasurer shall select for that purpose some particular tract or lots of real property owned by the person owing such personal property tax, and in his or her tax roll and certificate of delinquency shall designate the particular tract or lots of real property against which such personal property tax is charged, and such real property shall be chargeable therewith. [2013 c 23 § 374; 1961 c 15 § 84.60.040. Prior: 1925 ex.s. c 130 § 112, part; RRS § 11273, part; prior: 1897 c 71 § 93, part; 1893 c 124 § 97, part.]

**84.60.050 Acquisition by governmental unit of property subject to tax lien or placement under agreement or order of immediate possession or use—Effect.** (1) When real property is acquired by purchase or condemnation by the state of Washington, any county or municipal corporation or is placed under a recorded agreement for immediate possession and use or an order of immediate possession and use pursuant to RCW 8.04.090, such property shall continue to be subject to the tax lien for the years prior to the year in which the property is so acquired or placed under such agreement or order, of any tax levied by the state, county, municipal corporation or other tax levying public body, except as is otherwise provided in RCW 84.60.070.

(2) The lien for taxes applicable to the real property being acquired or placed under immediate possession and use for the year in which such real property is so acquired or placed under immediate possession and use shall be for only the pro rata portion of taxes allocable to that portion of the year prior to the date of execution of the instrument vesting title, date of recording such agreement of immediate possession and use, date of such order of immediate possession and use, or date of judgment. No taxes levied or tax lien on such property allocable to a period subsequent to the dates identified in this subsection shall be valid and any such taxes levied shall be canceled as provided in RCW 84.48.065. In the event the owner has paid taxes allocable to that portion of the year subsequent to the dates identified in this subsection he or she shall be entitled to a pro rata refund of the amount paid on the property so acquired or placed under a recorded agreement or an order of immediate possession and use. If the dates identified in this subsection precede the completion of the property tax rolls for the current year's collection in the year in which such taxes become payable, no lien for such taxes shall be valid and any such taxes levied but not payable shall be canceled as provided in RCW 84.48.065. [2009 c 350 § 4; 1994 c 301 § 54; 1994 c 124 § 39; 1971 ex.s. c 260 § 2; 1967 ex.s. c 145 § 36; 1961 c 15 § 84.60.050. Prior: 1957 c 277 § 1.]

*Exemption of property under order of immediate possession and use: RCW 84.36.010.*

**84.60.070 Acquisition by governmental unit of property subject to tax lien or placement under agreement or order of immediate possession or use—Segregation of taxes if only part of parcel required.** When only part of a parcel of real property is required by a public body either of the parties may require the assessor to segregate the taxes and the assessed valuation as between the portion of property so required and the remainder thereof. If the assessed valuation of the portion of the property not required exceeds the amount of all delinquent taxes and taxes payable on the entire parcel, and if the owner so elects the lien for the taxes owing and payable on all the property shall be set over to the property retained by the owner. All county assessors are hereby authorized and required to segregate taxes as provided above. [1971 ex.s. c 260 § 3; 1961 c 15 § 84.60.070. Prior: 1957 c 277 § 3.]

## Chapter 84.64 RCW
## LIEN FORECLOSURE

Sections



**84.64.005 Definitions.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Date of delinquency" means the date when taxes first became delinquent.

(2) "Electronic funds transfer" has the same meaning as provided in RCW 82.32.085.

(3) "Interest" means interest and penalties.

(4) "Taxes;" "taxes, interest, and costs;" and "taxes, interest, or costs" include any assessments and amounts deferred under chapters 84.37 and 84.38 RCW, where the assessments and deferred amounts are included in a certificate of delinquency by the county treasurer. [2015 c 95 § 10; 2013 c 221 § 11.]

**Intent—2015 c 95:** See note following RCW 36.16.145.

**84.64.040 Prosecuting attorney to foreclose on request.** The county prosecuting attorney shall furnish to holders of certificates of delinquency, at the expense of the county, forms of applications for judgment and forms of

notice and summons when the same are required, and shall prosecute to final judgment all actions brought by holders of certificates under the provisions of this chapter for the foreclosure of tax liens, when requested so to do by the holder of any certificate of delinquency: PROVIDED, Said holder has duly paid to the clerk of the court the sum of two dollars for each action brought as per RCW 84.64.120: PROVIDED, FURTHER, That nothing herein shall be construed to prevent said holder from employing other and additional counsel, or prosecuting said action independent of and without assistance from the prosecuting attorney, if he or she so desires, but in such cases, no other and further costs or charge whatever shall be allowed than the costs provided in this section and RCW 84.64.120: AND PROVIDED, ALSO, That in no event shall the county prosecuting attorney collect any fee for the services herein enumerated. [2013 c 23 § 375; 1961 c 15 § 84.64.040. Prior: 1925 ex.s. c 130 § 116; RRS § 11277; prior: 1903 c 165 § 1; 1899 c 141 § 14.]

**84.64.050 Certificate to county—Foreclosure—Notice—Sale of certain residential property eligible for deferral prohibited.** (1) Except as provided in subsection (7) of this section, after the expiration of three years from the date of delinquency, when any property remains on the tax rolls for which no certificate of delinquency has been issued, the county treasurer must proceed to issue certificates of delinquency on the property to the county for all years' taxes, interest, and costs. However, the county treasurer, with the consent of the county legislative authority, may elect to issue a certificate for fewer than all years' taxes, interest, and costs to a minimum of the taxes, interest, and costs for the earliest year.

(2) Certificates of delinquency are prima facie evidence that:

(a) The property described was subject to taxation at the time the same was assessed;

(b) The property was assessed as required by law;

(c) The taxes or assessments were not paid at any time before the issuance of the certificate;

(d) Such certificate has the same force and effect as a lis pendens required under chapter 4.28 RCW.

(3) The county treasurer may include in the certificate of delinquency any assessments which are due on the property and are the responsibility of the county treasurer to collect. However, if the department of revenue has previously notified the county treasurer in writing that the property has a lien on it for deferred property taxes, the county treasurer must include in the certificate of delinquency any amounts deferred under chapters 84.37 and 84.38 RCW that remain unpaid, including accrued interest and costs.

(4) The treasurer must file the certificates when completed with the clerk of the court at no cost to the treasurer, and the treasurer must thereupon, with legal assistance from the county prosecuting attorney, proceed to foreclose in the name of the county, the tax liens embraced in such certificates. Notice and summons must be served or notice given in a manner reasonably calculated to inform the owner or owners, and any person having a recorded interest in or lien of record upon the property, of the foreclosure action to appear within thirty days after service of such notice and defend such action or pay the amount due. Either (a) personal service upon the owner or owners and any person having a recorded interest in or lien of record upon the property, or (b) publication once in a newspaper of general circulation, which is circulated in the area of the property and mailing of notice by certified mail to the owner or owners and any person having a recorded interest in or lien of record upon the property, or, if a mailing address is unavailable, personal service upon the occupant of the property, if any, is sufficient. If such notice is returned as unclaimed, the treasurer must send notice by regular first-class mail. The notice must include the legal description on the tax rolls, the year or years for which assessed, the amount of tax and interest due, and the name of owner, or reputed owner, if known, and the notice must include the local street address, if any, for informational purposes only. The certificates of delinquency issued to the county may be issued in one general certificate in book form including all property, and the proceedings to foreclose the liens against the property may be brought in one action and all persons interested in any of the property involved in the proceedings may be made codefendants in the action, and if unknown may be therein named as unknown owners, and the publication of such notice is sufficient service thereof on all persons interested in the property described therein, except as provided above. The person or persons whose name or names appear on the treasurer's rolls as the owner or owners of the property must be considered and treated as the owner or owners of the property for the purpose of this section, and if upon the treasurer's rolls it appears that the owner or owners of the property are unknown, then the property must be proceeded against, as belonging to an unknown owner or owners, as the case may be, and all persons owning or claiming to own, or having or claiming to have an interest therein, are hereby required to take notice of the proceedings and of any and all steps thereunder. However, prior to the sale of the property, the treasurer must order or conduct a title search of the property to be sold to determine the legal description of the property to be sold and the record title holder, and if the record title holder or holders differ from the person or persons whose name or names appear on the treasurer's rolls as the owner or owners, the record title holder or holders must be considered and treated as the owner or owners of the property for the purpose of this section, and are entitled to the notice provided for in this section. Such title search must be included in the costs of foreclosure.

(5) If the title search required by subsection (4) of this section reveals a lien in favor of the state for deferred taxes on the property under RCW 84.37.070 or 84.38.100 and such deferred taxes are not already included in the certificate of delinquency, the county treasurer must issue an amended certificate of delinquency on the property to include the outstanding amount of deferred taxes, including accrued interest. The amended certificate of delinquency must be filed with the clerk of the court as provided in subsection (4) of this section.

(6) The county treasurer may not sell property that is eligible for deferral of taxes under chapter 84.38 RCW but must require the owner of the property to file a declaration to defer taxes under chapter 84.38 RCW.

(7) Except those parcels where the local governing entity has declared and/or certified the parcel a nuisance affecting public peace, safety, and welfare, or other similar code provi-

sion, in no case may a certificate of delinquency be filed on property where the tax delinquency under chapter 84.56 RCW is one hundred dollars or less in total excluding interest and penalties. [2019 c 332 § 4; 2013 c 221 § 12; 1999 c 18 § 7; 1991 c 245 § 25; 1989 c 378 § 37; 1986 c 278 § 64. Prior: 1984 c 220 § 19; 1984 c 179 § 2; 1981 c 322 § 4; 1972 ex.s. c 84 § 2; 1961 c 15 § 84.64.050; prior: 1937 c 17 § 1; 1925 ex.s. c 130 § 117; RRS § 11278; prior: 1917 c 113 § 1; 1901 c 178 § 3; 1899 c 141 § 15; 1897 c 71 § 98.]

**Effective date—2019 c 332:** See note following RCW 84.56.029.

Additional notes found at www.leg.wa.gov

**84.64.060 Payment by interested person before day of sale.** (1) Any person owning a recorded interest in lands or lots upon which judgment is prayed, as provided in this chapter, may in person or by agent pay the taxes, interest and costs due thereon to the county treasurer of the county in which the same are situated, at any time before the day of the sale; and for the amount so paid he or she will have a lien on the property liable for taxes, interest, and costs for which judgment is prayed; and the person or authority who collects or receives the same must give a receipt for such payment, or issue to such person a certificate showing such payment. If paying by agent, the agent must provide notarized documentation of the agency relationship.

(2) Notwithstanding anything to the contrary in this section, a person need not pay the amount of any outstanding liens for amounts deferred under chapter 84.37 or 84.38 RCW, if such amounts have not become payable under RCW 84.37.080 or 84.38.130. [2015 c 86 § 315; 2003 c 23 § 4; 2002 c 168 § 9; 1963 c 88 § 1; 1961 c 15 § 84.64.060. Prior: 1925 ex.s. c 130 § 118; RRS § 11279; prior: 1897 c 71 § 99.]

**84.64.070 Redemption before day of sale—Redemption of property of minors and legally incompetent persons.** (1) Real property upon which certificates of delinquency have been issued under the provisions of this chapter, may be redeemed at any time before the close of business the day before the day of the sale, by payment, as prescribed by the county treasurer, to the county treasurer of the proper county, of the amount for which the certificate of delinquency was issued, together with interest at the statutory rate per annum charged on delinquent general real and personal property taxes from date of issuance of the certificate of delinquency until paid.

(2) The person redeeming such property must also pay the amount of all taxes, interest and costs accruing after the issuance of such certificate of delinquency, together with interest at the statutory rate per annum charged on delinquent general real and personal property taxes on such payment from the day the same was made.

(3) No fee may be charged for any redemption.

(4) Tenants in common or joint tenants must be allowed to redeem their individual interest in real property for which certificates of delinquency have been issued under the provisions of this chapter, in the manner and under the terms specified in RCW 84.64.060 for the redemption of real property other than that of persons adjudicated to be legally incompetent or minors for purposes of this section.

(5) If the real property of any minor, or any person adjudicated to be legally incompetent, be sold for nonpayment of taxes, the same may be redeemed at any time within three years after the date of sale upon the terms specified in this section, on the payment of interest at the statutory rate per annum charged on delinquent general real and personal property taxes on the amount for which the same was sold, from and after the date of sale, and in addition the redemptioner must pay the reasonable value of all improvements made in good faith on the property, less the value of the use thereof, which redemption may be made by themselves or by any person in their behalf.

(6) Notwithstanding anything to the contrary in this section, a person may redeem real property under this section without the payment of any outstanding liens for amounts deferred under chapter 84.37 or 84.38 RCW, if such amounts have not become payable under RCW 84.37.080 or 84.38.130. [2015 c 86 § 316; 2002 c 168 § 10; 1991 c 245 § 26; 1963 c 88 § 2; 1961 c 15 § 84.64.070. Prior: 1925 ex.s. c 130 § 119; RRS § 11280; prior: 1917 c 142 § 4; 1899 c 141 § 17; 1897 c 71 § 102; 1895 c 176 § 25; 1893 c 124 § 121.]

**84.64.080 Foreclosure proceedings—Judgment—Sale—Notice—Form of deed—Recording.** (1) The court must examine each application for judgment foreclosing a tax lien, and if a defense (specifying in writing the particular cause of objection) is offered by any person interested in any of the lands or lots to the entry of judgment, the court must hear and determine the matter in a summary manner, without other pleadings, and pronounce judgment. However, the court may, in its discretion, continue a case in which a defense is offered, to secure substantial justice to the contestants.

(2) In all judicial proceedings for the collection of taxes, and interest and costs thereon, all amendments which by law can be made in any personal action in the court must be allowed. No assessments of property or charge for any of the taxes is illegal on account of any irregularity in the tax list or assessment rolls, or on account of the assessment rolls or tax list not having been made, completed, or returned within the time required by law, or on account of the property having been charged or listed in the assessment or tax lists without name, or in any other name than that of the owner, and no error or informality in the proceedings of any of the officers connected with the assessment, levying or collection of the taxes, vitiates or in any manner affects the tax or the assessment of the tax. Any irregularities or informality in the assessment rolls or tax lists or in any of the proceedings connected with the assessment or levy of the taxes, or any omission or defective act of any officer connected with the assessment or levying of the taxes, may be, in the discretion of the court, corrected, supplied, and made to conform to the law by the court.

(3) The court must give judgment for the taxes, interest, and costs that appear to be due upon the several lots or tracts described in the notice of application for judgment. The judgment must be a several judgment against each tract or lot or part of a tract or lot for each kind of tax included therein, including all interest and costs. The court must order and direct the clerk to make and enter an order for the sale of the real property against which judgment is made, or vacate and set aside the certificate of delinquency, or make such other order or judgment as in law or equity may be just. The order

must be signed by the judge of the superior court and delivered to the county treasurer. The order is full and sufficient authority for the treasurer to proceed to sell the property for the sum set forth in the order and to take further steps provided by law.

(4) The county treasurer must immediately after receiving the order and judgment proceed to sell the property as provided in this chapter to the highest and best bidder. The acceptable minimum bid must be the total amount of taxes, interest, and costs. The property must be sold "as is." There is no guarantee or warranty of any kind, express or implied, relative to: Title, eligibility to build upon or subdivide the property; zoning classification; size; location; fitness for any use or purpose; or any other feature or condition of a foreclosed property sold pursuant to this chapter or sold pursuant to chapter 36.35 RCW as a tax title property.

(5) All sales must be made at a location in the county on a date and time (except Saturdays, Sundays, or legal holidays) as the county treasurer may direct, and continue from day to day (Saturdays, Sundays, and legal holidays excepted) during the same hours until all lots or tracts are sold. The county treasurer must first give notice of the time and place where the sale is to take place for ten days successively by posting notice thereof in three public places in the county, one of which must be in the office of the treasurer.

(6) Unless a sale is conducted pursuant to RCW 84.64.225, notice of a sale must be substantially in the following form:

TAX JUDGMENT SALE

Public notice is hereby given that pursuant to real property tax judgment of the superior court of the county of . . . . . in the state of Washington, and an order of sale duly issued by the court, entered the . . . . day of . . . . . ., . . . ., in proceedings for foreclosure of tax liens upon real property, as per provisions of law, I shall on the . . . . day of . . . . . ., . . . ., at . . . . o'clock a.m., at . . . . . in the city of . . . . . ., and county of . . . . . ., state of Washington, sell the real property to the highest and best bidder for cash, to satisfy the full amount of taxes, interest and costs adjudged to be due.

In witness whereof, I have hereunto affixed my hand and seal this . . . . day of . . . . . ., . . . . .

Treasurer of . . . . . county.

(7) As an alternative to the sale procedure specified in subsections (5) and (6) of this section, the county treasurer may conduct a public auction sale by electronic media pursuant to RCW 84.64.225.

(8) No county officer or employee may directly or indirectly be a purchaser of the property at the sale.

(9) If any buildings or improvements are upon an area encompassing more than one tract or lot, the same must be advertised and sold as a single unit.

(10) If the highest amount bid for any separate unit tract or lot exceeds the minimum bid due upon the whole property included in the certificate of delinquency, the excess must be refunded, following payment of all recorded water-sewer district liens, on application therefor, to the record owner of the property. The record owner of the property is the person who held title on the date of issuance of the certificate of delinquency. Assignments of interests, deeds, or other documents executed or recorded after filing the certificate of delinquency do not affect the payment of excess funds to the record owner. In the event that no claim for the excess is received by the county treasurer within three years after the date of the sale, the treasurer must at expiration of the three year period deposit the excess in the current expense fund of the county, which extinguishes all claims by any owner to the excess funds.

(11) The county treasurer must execute to the purchaser of any piece or parcel of land a tax deed. The tax deed so made by the county treasurer, under the official seal of the treasurer's office, must be recorded in the same manner as other conveyances of real property, and vests in the grantee, his or her heirs and assigns the title to the property therein described, without further acknowledgment or evidence of the conveyance.

(12) Tax deeds must be substantially in the following form:

State of Washington }<br>
} ss.<br>
County of . . . . . }

This indenture, made this . . . . day of . . . . . ., . . . . . ., between . . . . . ., as treasurer of . . . . . county, state of Washington, party of the first part, and . . . . . ., party of the second part:

Witnesseth, that, whereas, at a public sale of real property held on the . . . . day of . . . . . ., . . . ., pursuant to a real property tax judgment entered in the superior court in the county of . . . . . on the . . . . day of . . . . . ., . . . ., in proceedings to foreclose tax liens upon real property and an order of sale duly issued by the court, . . . . . duly purchased in compliance with the laws of the state of Washington, the following described real property, to wit: (Here place description of real property conveyed) and that the . . . . . has complied with the laws of the state of Washington necessary to entitle (him, or her or them) to a deed for the real property.

Now, therefore, know ye, that, I . . . . . ., county treasurer of the county of . . . . . ., state of Washington, in consideration of the premises and by virtue of the statutes of the state of Washington, in such cases provided, do hereby grant and convey unto . . . . . ., his or her heirs and assigns, forever, the real property hereinbefore described.

Given under my hand and seal of office this . . . . day of . . . . . ., A.D. . . . .

. . . . . .

County Treasurer. [2019 c 28 § 1; 2015 c 95 § 12; 2004 c 79 § 7; 2003 c 23 § 5. Prior: 1999 c 153 § 72; 1999 c 18 § 8; 1991 c 245 § 27; 1981 c 322 § 5; 1965 ex.s. c 23 § 4; 1963 c 8 § 1; 1961 c 15 § 84.64.080; prior: 1951 c 220 § 1; 1939 c 206 § 47; 1937 c 118 § 1; 1925 ex.s. c 130 § 20; RRS § 11281; prior: 1909 c 163 § 1; 1903 c 59 § 5; 1899 c 141 § 18; 1897 c 71 § 103; 1893 c 124 § 105; 1890 p 573 § 112; Code 1881 § 2917. Formerly RCW 84.64.080, 84.64.090, 84.64.100, and 84.64.110.]

**Intent—2015 c 95:** See note following RCW 36.16.145.

Additional notes found at www.leg.wa.gov

**84.64.120 Appellate review—Deposit.** Appellate review of the judgment of the superior court may be sought as

in other civil cases. However, review must be sought within thirty days after the entry of the judgment and the party taking such appeal shall deposit a sum equal to all taxes, interest, and costs with the clerk of the court, conditioned that the appellant shall prosecute the appeal with effect, and will pay the amount of any taxes, interest and costs which may be finally adjudged against the real property involved in the appeal by any court having jurisdiction of the cause. No appeal shall be allowed from any judgment for the sale of land or lot for taxes unless the party taking such appeal shall before the time of giving notice of such appeal, and within thirty days herein allowed within which to appeal, deposit with the clerk of the court of the county in which the land or lots are situated, an amount of money equal to the amount of the judgment and costs rendered in such cause by the trial court. If, in case of an appeal, the judgment of the lower court shall be affirmed, in whole or in part, the supreme court or the court of appeals shall enter judgment for the amount of taxes, interest and costs, with damages not to exceed twenty percent, and shall order that the amount deposited with the clerk of the court, or so much thereof as may be necessary, be credited upon the judgment so rendered, and execution shall issue for the balance of the judgment, damages and costs. The clerk of the supreme court or the clerk of the division of the court of appeals in which the appeal is pending shall transmit to the county treasurer of the county in which the land or lots are situated a certified copy of the order of affirmance, and it shall be the duty of such county treasurer upon receiving the same to apply so much of the amount deposited with the clerk of the court, as shall be necessary to satisfy the amount of the judgment of the supreme court, and to account for the same as collected taxes. If the judgment of the superior court shall be reversed and the cause remanded for a rehearing, and if, upon a rehearing, judgment shall be rendered for the sale of the land or lots for taxes, or any part thereof, and such judgment be not appealed from, as herein provided, the clerk of such superior court shall certify to the county treasurer the amount of such judgment, and thereupon it shall be the duty of the county treasurer to certify to the county clerk the amount deposited with the clerk of the court, and the county clerk shall credit such judgment with the amount of such deposit, or so much thereof as will satisfy the judgment, and the county treasurer shall be chargeable and accountable for the amount so credited as collected taxes. Nothing herein shall be construed as requiring an additional deposit in case of more than one appeal being prosecuted in the proceeding. If, upon a final hearing, judgment shall be refused for the sale of the land or lots for the taxes, interest, and costs, or any part thereof, in the proceedings, the county treasurer shall pay over to the party who shall have made such deposit, or his or her legally authorized agent or representative, the amount of the deposit, or so much thereof as shall remain after the satisfaction of the judgment against the land or lots in respect to which such deposit shall have been made. [1999 c 18 § 9; 1991 c 245 § 28; 1988 c 202 § 70; 1971 c 81 § 154; 1961 c 15 § 84.64.120. Prior: 1925 ex.s. c 130 § 121; RRS § 11282; prior: 1903 c 59 § 4; 1897 c 71 § 104; 1893 c 124 § 106.]

**Rules of court:** *Cf. RAP 5.2, 8.1, 18.22.*

Additional notes found at www.leg.wa.gov

**84.64.130 Certified copies of records as evidence.** The books and records belonging to the office of county treasurer, certified by said treasurer, shall be deemed prima facie evidence to prove the issuance of any certificate, the sale of any land or lot for taxes, the redemption of the same or payment of taxes thereon. The county treasurer shall, at the expiration of his or her term of office, pay over to his or her successor in office all moneys in his or her hands received for redemption from sale for taxes on real property. [2013 c 23 § 376; 1961 c 15 § 84.64.130. Prior: 1925 ex.s. c 130 § 123; RRS § 11284; prior: 1897 c 71 § 108; 1893 c 124 § 123.]

**84.64.180 Deeds as evidence—Estoppel by judgment.** Deeds executed by the county treasurer, as aforesaid, shall be prima facie evidence in all controversies and suits in relation to the right of the purchaser, his or her heirs and assigns, to the real property thereby conveyed of the following facts: First, that the real property conveyed was subject to taxation at the time the same was assessed, and had been listed and assessed in the time and manner required by law; second, that the taxes were not paid at any time before the issuance of deed; third, that the real property conveyed had not been redeemed from the sale at the date of the deed; fourth, that the real property was sold for taxes, interest, and costs, as stated in the deed; fifth, that the grantee in the deed was the purchaser, or assignee of the purchaser; sixth, that the sale was conducted in the manner required by law. And any judgment for the deed to real property sold for delinquent taxes rendered after January 9, 1926, except as otherwise provided in this section, shall estop all parties from raising any objections thereto, or to a tax title based thereon, which existed at or before the rendition of such judgment, and could have been presented as a defense to the application for such judgment in the court wherein the same was rendered, and as to all such questions the judgment itself shall be conclusive evidence of its regularity and validity in all collateral proceedings, except in cases where the tax has been paid, or the real property was not liable to the tax. [2013 c 23 § 377; 1961 c 15 § 84.64.180. Prior: 1925 ex.s. c 130 § 127; RRS § 11288; prior: 1897 c 71 § 114; 1893 c 124 § 132; 1890 p 574 § 114.]

**84.64.190 Certified copy of deed as evidence.** Whenever it shall be necessary in any action in any court of law or equity, wherein the title to any real property is in controversy, to prove the conveyance to any county of such real property in pursuance of a foreclosure of a tax certificate and sale thereunder, a copy of the tax deed issued to the county containing a description of such real property, exclusive of the description of all other real property therein described, certified by the county auditor of the county wherein the real property is situated, to be such, shall be admitted in evidence by the court, and shall be proof of the conveyance of the real property in controversy to such county, to the same extent as would a certified copy of the entire record of such tax deed. [1961 c 15 § 84.64.190. Prior: 1925 ex.s. c 130 § 128; RRS § 11289; prior: 1890 p 575 § 115.]

**84.64.200 County as bidder at sale—Purchaser to pay all delinquent taxes, interest, or costs.** (1) At all sales of property for which certificates of delinquency are held by the county, if no other bids are received, the county must be

considered a bidder for the full area of each tract or lot to the amount of all taxes, interest, and costs due thereon, and where no bidder appears, acquire title in trust for the taxing districts as absolutely as if purchased by an individual under the provisions of this chapter.

(2) All bidders except the county at sales of property for which certificates of delinquency are held by the county must pay the full amount of taxes, interest, and costs for which judgment is rendered, together with all taxes, interest, and costs which are delinquent at the time of sale, regardless of whether the taxes, interest, or costs are included in the judgment. [2015 c 95 § 13; 2007 c 295 § 7; 1981 c 322 § 6; 1961 c 15 § 84.64.200. Prior: 1925 ex.s. c 130 § 129; RRS § 11290; prior: 1901 c 178 § 4; 1899 c 141 § 24; 1897 c 71 § 116; 1893 c 124 § 136.]

**Intent—2015 c 95:** See note following RCW 36.16.145.

**84.64.215 Deed recording fee—Transmittal to county auditor and purchaser.** In addition to a five dollar fee for preparing the deed, the treasurer shall collect the proper recording fee. This recording fee together with the deed shall then be transmitted by the treasurer to the county auditor who will record the same and mail the deed to the purchaser. [1991 c 245 § 29; 1961 c 15 § 84.64.215. Prior: 1947 c 60 § 1; Rem. Supp. 1947 § 11295a. Formerly RCW 84.64.210, part.]

**84.64.225 Public auction sale by electronic media.** (1) In lieu of the sale procedure specified in RCW 84.56.070 or 84.64.080, the county treasurer may conduct a public auction sale by electronic media as provided in RCW 36.16.145.

(2) Notice of a public auction sale by electronic media must be substantially in the following form:

TAX JUDGMENT SALE BY ELECTRONIC MEDIA

Public notice is hereby given that pursuant to a tax judgment of the superior court of the county of . . . . . in the state of Washington, and an order of sale duly issued by the court, entered the . . . . day of . . . . . ., . . . ., in proceedings for foreclosure of tax liens, I shall on the . . . . day of . . . . . ., . . . ., commencing at . . . . o'clock . . ., at . . [specify website address] . . . . ., sell the property to the highest and best bidder to satisfy the full amount of taxes, interest, and costs adjudged to be due. Prospective bidders must deposit . . . . to participate in bidding. A deposit paid by a winning bidder will be applied to the balance due. However, a winning bidder who does not comply with the terms of sale will forfeit the deposit. Deposits paid by nonwinning bidders will be refunded within ten business days of the close of the sale. Payment of deposits and a winning bid must be made by electronic funds transfer. In the case of an online public auction sale by electronic media as provided in RCW 36.16.145, a winning bidder is allowed no less than forty-eight hours to pay the winning bid by electronic funds transfer.

In witness whereof, I have affixed my hand and seal this . . . . day of . . . . . ., . . . . .

Treasurer of . . . . . county. [2019 c 332 § 2; 2015 c 95 § 11.]

**Effective date—2019 c 332:** See note following RCW 84.56.029.

**Intent—2015 c 95:** See note following RCW 36.16.145.

## Chapter 84.68 RCW
## RECOVERY OF TAXES PAID OR PROPERTY SOLD FOR TAXES

Sections



**84.68.010 Injunctions prohibited—Exceptions.** Injunctions and restraining orders shall not be issued or granted to restrain the collection of any tax or any part thereof, or the sale of any property for the nonpayment of any tax or part thereof, except in the following cases:

(1) Where the law under which the tax is imposed is void;

(2) Where the property upon which the tax is imposed is exempt from taxation; or

(3) Where the sale is a result of an error made by an officer or employee of the county, and the board of county commissioners or other legislative authority of the county issues an order. [2000 c 103 § 30; 1972 ex.s. c 84 § 3; 1961 c 15 § 84.68.010. Prior: 1931 c 62 § 1; RRS § 11315-1.]

**84.68.020 Payment under protest—Claim not required.** In all cases of the levy of taxes for public revenue which are deemed unlawful or excessive by the person, firm or corporation whose property is taxed, or from whom such tax is demanded or enforced, such person, firm or corporation may pay such tax or any part thereof deemed unlawful, under written protest setting forth all of the grounds upon which such tax is claimed to be unlawful or excessive; and thereupon the person, firm or corporation so paying, or their legal representatives or assigns, may bring an action in the superior court or in any federal court of competent jurisdiction against the state, county or municipality by whose officers the same was collected, to recover such tax, or any portion thereof, so paid under protest: PROVIDED, That RCW 84.68.010 through 84.68.070 shall not be deemed to enlarge the grounds upon which taxes may now be recovered: AND PROVIDED FURTHER, That no claim need be presented to the state or county or municipality, or any of their respective officers, for the return of such protested tax as a condition precedent to the institution of such action. [1994 c 124 § 40; 1961 c 15 § 84.68.020. Prior: 1937 c 11 § 1; 1931 c 62 § 2; 1927 c 280 § 7; 1925 c 18 § 7; RRS § 11315-2.]

**84.68.030 Judgment—Payment—County tax refund fund.** In case it be determined in such action that said tax, or

any portion thereof, so paid under protest, was unlawfully collected, judgment for recovery thereof and interest thereon at the rate specified in RCW 84.69.100 from date of payment, together with costs of suit, shall be entered in favor of plaintiff. In case the action is against a county and the judgment shall become final, the amount of such judgment, including interest at the rate specified in RCW 84.69.100 and costs where allowed, shall be paid out of the treasury of such county by the county treasurer upon warrants drawn by the county auditor against a fund in said treasury hereby created to be known and designated as the county tax refund fund. Such warrants shall be so issued upon the filing with the county auditor and the county treasurer of duly authenticated copies of such judgment, and shall be paid by the county treasurer out of any moneys on hand in said fund. If no funds are available in such county tax refund fund for the payment of such warrants, then such warrants shall bear interest in such cases and shall be callable under such conditions as are provided by law for county warrants, and such interest, if any, shall also be paid out of said fund. [1989 c 378 § 28; 1961 c 15 § 84.68.030. Prior: 1931 c 62 § 3; RRS § 11315-3.]

**84.68.040 Levy for tax refund fund.** Annually, at the time required by law for the levying of taxes for county purposes, the proper county officers required by law to make and enter such tax levies shall make and enter a tax levy or levies for said county tax refund fund, which said levy or levies shall be given precedence over all other tax levies for county and/or taxing district purposes, as follows:

(1) A levy upon all of the taxable property within the county for the amount of all taxes collected by the county for county and/or state purposes held illegal and recoverable by such judgments rendered against the county within the preceding twelve months, including legal interest and a proper share of the costs, where allowed, together with the additional amounts hereinafter provided for;

(2) A levy upon all of the taxable property of each taxing district within the county for the amount of all taxes collected by the county for the purposes of such taxing district, and which have been held illegal and recoverable by such judgments rendered against the county within the preceding twelve months, including legal interest and a proper share of the costs, where allowed.

The aforesaid levy or levies shall also include a proper share of the interest paid out of the county tax refund fund during said twelve months upon warrants issued against said fund in payment of such judgments, legal interests and costs, plus such an additional amount as such levying officers shall deem necessary to meet the obligations of said fund, taking into consideration the probable portions of such taxes that will not be collected or collectible during the year in which they are due and payable, and also any unobligated cash on hand in said fund. [1961 c 15 § 84.68.040. Prior: 1937 c 11 § 2; 1931 c 62 § 4; RRS § 11315-4.]

**84.68.050 Venue of action—Intercounty property.** The action for the recovery of taxes so paid under protest shall be brought in the superior court of the county wherein the tax was collected or in any federal court of competent jurisdiction: PROVIDED, That where the property against which the tax is levied consists of the operating property of a railroad company, telegraph company or other public service company whose operating property is located in more than one county and is assessed as a unit by any state board or state officer or officers, the complaining taxpayer may institute such action in the superior court of any one of the counties in which such tax is payable, or in any federal court of competent jurisdiction, and may join as parties defendant in said action all of the counties to which the tax or taxes levied upon such operating property were paid or are payable, and may recover in one action from each of the county defendants the amount of the tax, or any portion thereof, so paid under protest, and adjudged to have been unlawfully collected, together with interest thereon at the rate specified in RCW 84.69.100 from date of payment, and costs of suit. [1989 c 378 § 29; 1961 c 15 § 84.68.050. Prior: 1937 c 11 § 3; 1931 c 62 § 5; RRS § 11315-5.]

**84.68.060 Limitation of actions.** No action instituted pursuant to this chapter or otherwise to recover any tax levied or assessed shall be commenced after the 30th day of the next succeeding June following the year in which said tax became payable. [1961 c 15 § 84.68.060. Prior: 1939 c 206 § 48; 1931 c 62 § 6; RRS § 11315-6.]

*Limitation of action to cancel tax deed: RCW 4.16.090.*

**84.68.070 Remedy exclusive—Exception.** Except as permitted by RCW 84.68.010 through 84.68.070 and chapter 84.69 RCW, no action shall ever be brought or defense interposed attacking the validity of any tax, or any portion of any tax: PROVIDED, HOWEVER, That this section shall not be construed as depriving the defendants in any tax foreclosure proceeding of any valid defense allowed by law to the tax sought to be foreclosed therein except defenses based upon alleged excessive valuations, levies or taxes. [1989 c 378 § 30; 1961 c 15 § 84.68.070. Prior: 1939 c 206 § 49; 1931 c 62 § 7; RRS § 11315-7.]

**84.68.080 Action to recover property sold for taxes—Tender is condition precedent.** Hereafter no action or proceeding shall be commenced or instituted in any court of this state for the recovery of any property sold for taxes, unless the person or corporation desiring to commence or institute such action or proceeding shall first pay, or cause to be paid, or shall tender to the officer entitled under the law to receive the same, all taxes, penalties, interest and costs justly due and unpaid from such person or corporation on the property sought to be recovered. [1961 c 15 § 84.68.080. Prior: 1888 c 22 (p 43) § 1; RRS § 955.]

*Limitation of action to cancel tax deed: RCW 4.16.090.*

**84.68.090 Action to recover property sold for taxes—Complaint.** In all actions for the recovery of lands or other property sold for taxes, the complainant must state and set forth specially in the complaint the tax that is justly due, with penalties, interest and costs, that the taxes for that and previous years have been paid; and when the action is against the person or corporation in possession thereof that all taxes, penalties, interest and costs paid by the purchaser at tax-sale, the purchaser's assignees or grantees have been fully paid or tendered, and payment refused. [1994 c 124 § 41; 1961 c 15 § 84.68.090. Prior: 1888 c 22 (p 44) § 2; RRS § 956.]

**84.68.100 Action to recover property sold for taxes—Restrictions construed as additional.** The provisions of RCW 84.68.080 and 84.68.090 shall be construed as imposing additional conditions upon the complainant in actions for the recovery of property sold for taxes. [1961 c 15 § 84.68.100. Prior: 1888 c 22 (p 44) § 3; RRS § 957.]

**84.68.110 Small claims recoveries—Recovery of erroneous taxes without court action.** Whenever a taxpayer believes or has reason to believe that, through error in description, double assessments, or manifest errors in assessment which do not involve a revaluation of the property, he or she has been erroneously assessed or that a tax has been incorrectly extended against him or her upon the tax rolls, and the tax based upon such erroneous assessment or incorrect extension has been paid, such taxpayer may initiate a proceeding for the cancellation or reduction of the assessment of his or her property and the tax based thereon or for correction of the error in extending the tax on the tax rolls, and for the refund of the claimed erroneous tax or excessive portion thereof, by filing a petition therefor with the county assessor of the county in which the property is or was located or taxed, which petition shall legally describe the property, show the assessed valuation and tax placed against the property for the year or years in question and the taxpayer's reasons for believing that there was an error in the assessment within the meaning of RCW 84.68.110 through 84.68.150, or in extending the tax upon the tax rolls and set forth the sum to which the taxpayer desires to have the assessment reduced or the extended tax corrected. [2013 c 23 § 378; 1961 c 15 § 84.68.110. Prior: 1939 c 16 § 1; RRS § 11241-1.]

**84.68.120 Small claims recoveries—Petition—Procedure of county officers—Transmittal of findings to department of revenue.** Upon the filing of the petition with the county assessor that officer shall proceed forthwith to conduct such investigation as may be necessary to ascertain and determine whether or not the assessment in question was erroneous or whether or not the tax was incorrectly extended upon the tax rolls and if he or she finds there is probable cause to believe that the property was erroneously assessed, and that such erroneous assessment was due to an error in description, double assessment, or manifest error in assessment which does not involve a revaluation of the property, or that the tax was incorrectly extended upon the tax rolls, he or she shall endorse his or her findings upon the petition, and thereupon within ten days after the filing of the petition by the taxpayer forward the same to the county treasurer. If the assessor's findings be in favor of cancellation or reduction or correction he or she shall include therein a statement of the amount to which he or she recommends that the assessment and tax be reduced. It shall be the duty of the county treasurer, upon whom a petition with endorsed findings is served, as in RCW 84.68.110 through 84.68.150 provided, to endorse thereon a statement whether or not the tax against which complaint is made has in fact been paid and, if paid, the amount thereof, whereupon the county treasurer shall immediately transmit the petition to the prosecuting attorney and the prosecuting attorney shall make such investigation as he or she deems necessary and, within ten days after receipt of the petition and findings by him or her, transmit the same to the state department of revenue with his or her recommendation in respect to the granting or denial of the petition. [2013 c 23 § 379; 1975 1st ex.s. c 278 § 208; 1961 c 15 § 84.68.120. Prior: 1939 c 16 § 2; RRS § 11241-2.]

Additional notes found at www.leg.wa.gov

**84.68.130 Small claims recoveries—Procedure of department of revenue.** Upon receipt of the petition, findings and recommendations the state department of revenue shall proceed to consider the same, and it may require evidence to be submitted and make such investigation as it deems necessary and for such purpose the department of revenue shall be empowered to subpoena witnesses in order that all material and relevant facts may be ascertained. Upon the conclusion of its consideration of the petition and within thirty days after receipt thereof, the department of revenue shall enter an order either granting or denying the petition and if the petition be granted the department of revenue may order the assessment canceled or reduced or the extended tax corrected upon the tax rolls in any amount it deems proper but in no event to exceed the amount of reduction or correction recommended by the county assessor. [1975 1st ex.s. c 278 § 209; 1961 c 15 § 84.68.130. Prior: 1939 c 16 § 3; RRS § 11241-3.]

Additional notes found at www.leg.wa.gov

**84.68.140 Small claims recoveries—Payment of refunds—Procedure.** Certified copies of the order of the department of revenue shall be forwarded to the county assessor, the county auditor and the taxpayer, and the taxpayer shall immediately be entitled to a refund of the difference, if any, between the tax already paid and the canceled or reduced or corrected tax based upon the order of the department with interest on such amount from the date of payment of the original tax. Upon receipt of the order of the department the county auditor shall draw a warrant against the county tax refund fund in the amount of any tax reduction so ordered, plus interest at the rate specified in RCW 84.69.100 to the date such warrant is issued, and such warrant shall be paid by the county treasurer out of any moneys on hand in said fund. If no funds are available in the county tax refund fund for the payment of such warrant the warrant shall bear interest and shall be callable under such conditions as are provided by law for county warrants and such interest, if any, shall also be paid out of said fund. The order of the department shall for all purposes be considered as a judgment against the county tax refund fund and the obligation thereof shall be discharged in the same manner as provided by law for the discharge of judgments against the county for excessive taxes under the provisions of RCW 84.68.010 through 84.68.070 or any act amendatory thereof. [1989 c 378 § 31; 1975 1st ex.s. c 278 § 210; 1961 c 15 § 84.68.140. Prior: 1939 c 16 § 4; RRS § 11241-4.]

Additional notes found at www.leg.wa.gov

**84.68.150 Small claims recoveries—Limitation as to time and amount of refund.** No petition for cancellation or reduction of assessment or correction of tax rolls and the refund of taxes based thereon under RCW 84.68.110 through 84.68.150 may be considered unless filed within three years after the year in which the tax became payable or purported to

become payable, unless the reduction or correction is the result of a manifest error and the county legislative authority authorizes a longer period for a refund of the claim. The maximum refund under the authority of RCW 84.68.110 through 84.68.150 for each year involved in the taxpayer's petition is two hundred dollars. Should the amount of excess tax for any such year be in excess of two hundred dollars, a refund of two hundred dollars must be allowed under RCW 84.68.110 through 84.68.150, without prejudice to the right of the taxpayer to proceed as may be otherwise provided by law to recover the balance of the excess tax paid by him or her. [2015 c 174 § 3; 2013 c 23 § 380; 1961 c 15 § 84.68.150. Prior: 1949 c 158 § 1; 1941 c 154 § 1; 1939 c 16 § 5; Rem. Supp. 1949 § 11241-5.]

## Chapter 84.69 RCW
## REFUNDS

Sections



**84.69.010 Definitions.** As used in this chapter, unless the context indicates otherwise:

(1) "Taxing district" means any county, city, town, port district, school district, road district, metropolitan park district, water-sewer district, or other municipal corporation now or hereafter authorized by law to impose burdens upon property within the district in proportion to the value thereof, for the purpose of obtaining revenue for public purposes, as distinguished from municipal corporations authorized to impose burdens, or for which burdens may be imposed, for such purposes, upon property in proportion to the benefits accruing thereto.

(2) "Tax" includes penalties and interest. [1999 c 153 § 73; 1961 c 15 § 84.69.010. Prior: 1957 c 120 § 1.]

Additional notes found at www.leg.wa.gov

**84.69.020 Grounds for refunds—Determination—Payment—Report.** On the order of the county treasurer, ad valorem taxes paid before or after delinquency must be refunded if they were:

(1) Paid more than once;

(2) Paid as a result of manifest error in description;

(3) Paid as a result of a clerical error in extending the tax rolls;

(4) Paid as a result of other clerical errors in listing property;

(5) Paid with respect to improvements which did not exist on assessment date;

(6) Paid under levies or statutes adjudicated to be illegal or unconstitutional;

(7) Paid as a result of mistake, inadvertence, or lack of knowledge by any person exempted from paying real property taxes or a portion thereof pursuant to RCW 84.36.381 through 84.36.389, as now or hereafter amended;

(8) Paid as a result of mistake, inadvertence, or lack of knowledge by either a public official or employee or by any person with respect to real property in which the person paying the same has no legal interest;

(9) Paid on the basis of an assessed valuation which was appealed to the county board of equalization and ordered reduced by the board;

(10) Paid on the basis of an assessed valuation which was appealed to the state board of tax appeals and ordered reduced by the board: PROVIDED, That the amount refunded under subsections (9) and (10) of this section shall only be for the difference between the tax paid on the basis of the appealed valuation and the tax payable on the valuation adjusted in accordance with the board's order;

(11) Paid as a state property tax levied upon property, the assessed value of which has been established by the state board of tax appeals for the year of such levy: PROVIDED, HOWEVER, That the amount refunded shall only be for the difference between the state property tax paid and the amount of state property tax which would, when added to all other property taxes within the one percent limitation of Article VII, section 2 of the state Constitution equal one percent of the assessed value established by the board;

(12) Paid on the basis of an assessed valuation which was adjudicated to be unlawful or excessive: PROVIDED, That the amount refunded shall be for the difference between the amount of tax which was paid on the basis of the valuation adjudged unlawful or excessive and the amount of tax payable on the basis of the assessed valuation determined as a result of the proceeding;

(13) Paid on property acquired under RCW 84.60.050, and canceled under RCW 84.60.050(2);

(14) Paid on the basis of an assessed valuation that was reduced under RCW 84.48.065;

(15) Paid on the basis of an assessed valuation that was reduced under RCW 84.40.039; or

(16) Abated under RCW 84.70.010.

No refunds under the provisions of this section shall be made because of any error in determining the valuation of property, except as authorized in subsections (9), (10), (11), and (12) of this section nor may any refunds be made if a bona fide purchaser has acquired rights that would preclude the assessment and collection of the refunded tax from the property that should properly have been charged with the tax. Any refunds made on delinquent taxes must include the proportionate amount of interest and penalties paid. However, no refunds as a result of an incorrect payment authorized under subsection (8) of this section made by a third party payee shall be granted. The county treasurer may deduct from mon-

eys collected for the benefit of the state's levies, refunds of the state's levies including interest on the levies as provided by this section and chapter 84.68 RCW.

The county treasurer of each county must make all refunds determined to be authorized by this section, and by the first Monday in February of each year, report to the county legislative authority a list of all refunds made under this section during the previous year. The list is to include the name of the person receiving the refund, the amount of the refund, and the reason for the refund. [2017 3rd sp.s. c 13 § 310; 2005 c 502 § 9; 2002 c 168 § 11; 1999 sp.s. c 8 § 2. Prior: 1998 c 306 § 2; 1997 c 393 § 18; 1996 c 296 § 2; 1994 c 301 § 55; 1991 c 245 § 31; 1989 c 378 § 17; 1981 c 228 § 1; 1975 1st ex.s. c 291 § 21; 1974 ex.s. c 122 § 2; 1972 ex.s. c 126 § 2; 1971 ex.s. c 288 § 14; 1969 ex.s. c 224 § 1; 1961 c 15 § 84.69.020; prior: 1957 c 120 § 2.]

**Application—Tax preference performance statement and expiration—2017 3rd sp.s. c 13 §§ 301-314:** See notes following RCW 84.52.065.

**Intent—2017 3rd sp.s. c 13:** See note following RCW 28A.150.410.

**Purpose—1974 ex.s. c 122:** "The legislature recognizes that the operation of the provisions of RCW 84.52.065 and 84.48.080, providing for adjustments in the county-determined assessed value of property for purposes of the state property tax for schools, may, with respect to certain properties, result in a total regular property tax payment in excess of the one percent limitation provided for in Article 7, section 2 (Amendment 59) of the state Constitution. The primary purpose of this 1974 amendatory act is to provide a procedure for administrative relief in such cases, such relief to be in addition to the presently existing procedure for judicial relief through a refund action provided for in RCW 84.68.020." [1974 ex.s. c 122 § 1.]

Additional notes found at www.leg.wa.gov

**84.69.030 Refunds—Procedure—When claim for an order required.** (1) Except as provided in this section, no orders for a refund under this chapter may be made except on a claim:

(a) Verified by the person who paid the tax, the person's guardian, executor, or administrator; and

(b) Filed with the county treasurer within three years after the due date of the payment sought to be refunded; and

(c) Stating the statutory ground upon which the refund is claimed.

(2) No claim for an order of refund is required for a refund that is based upon:

(a) An order of the board of equalization, state board of tax appeals, or court of competent jurisdiction justifying a refund under RCW 84.69.020 (9) through (12);

(b) A decision by the treasurer or assessor that is rendered within three years after the due date of the payment to be refunded, justifying a refund under RCW 84.69.020; or

(c) A decision by the assessor or department approving an exemption application that is filed under chapter 84.36 RCW within three years after the due date of the payment to be refunded.

(3) A county legislative authority may authorize a refund to be processed more than three years after the due date of the payment to be refunded if the refund arises from taxes paid as a result of a manifest error in a description of property. [2019 c 32 § 1; 2015 c 174 § 1; 2014 c 16 § 1; 2009 c 350 § 9; 1991 c 245 § 32; 1989 c 378 § 32; 1961 c 15 § 84.69.030. Prior: 1957 c 120 § 3.]

**84.69.040 Refunds may include amounts paid to state, and county and taxing district taxes.** Refunds ordered by the county legislative authority may include:

(1) A portion of amounts paid to the state treasurer by the county treasurer as money belonging to the state; and also

(2) County taxes and taxes collected by county officers for taxing districts. [1991 c 245 § 33; 1961 c 15 § 84.69.040. Prior: 1957 c 120 § 4.]

**84.69.050 Refund with respect to amounts paid state.** The part of the refund representing amounts paid to the state, including interest as provided in RCW 84.69.100, shall be paid from the county general fund and the department of revenue shall, upon the next succeeding settlement with the county, certify this amount refunded to the county: PROVIDED, That when a refund of tax funds pursuant to state levies is required, the department of revenue shall authorize adjustment procedures whereby counties may deduct from property tax remittances to the state the amount required to cover the state's portion of the refunds. [2003 c 23 § 6; 1988 c 222 § 31; 1973 2nd ex.s. c 5 § 1; 1961 c 15 § 84.69.050. Prior: 1957 c 120 § 5.]

**84.69.060 Refunds with respect to county, state, and taxing district taxes.** Refunds ordered under this chapter with respect to county, state, and taxing district taxes shall be paid by checks drawn upon the appropriate fund by the county treasurer: PROVIDED, That in making refunds on a levy code or tax code basis, the county treasurer may make an adjustment on the subsequent year's property tax payment due for the amount of the refund. [1991 c 245 § 34; 1989 c 378 § 18; 1988 c 222 § 32; 1973 2nd ex.s. c 5 § 2; 1961 c 15 § 84.69.060. Prior: 1957 c 120 § 6.]

**84.69.070 Refunds with respect to taxing districts—Administrative expenses—Disposition of funds upon expiration of refund orders.** Refunds ordered with respect to taxing districts, including interest as provided in RCW 84.69.100, shall be paid by checks drawn by the county treasurer upon such available funds, if any, as the taxing districts may have on deposit in the county treasury, or in the event such funds are insufficient, then out of funds subsequently accruing to such taxing district and on deposit in the county treasury. When such refunds are made as a result of taxes paid under levies or statutes adjudicated to be illegal or unconstitutional all administrative costs including interest paid on the refunds incurred by the county treasurer in making such refunds shall be a charge against the funds of such districts and/or the state on a pro rata basis until the county current expense fund is fully reimbursed for the administrative expenses incurred in making such refund: PROVIDED, That whenever orders for refunds of ad valorem taxes promulgated by the county treasurer or county legislative authority and unpaid checks shall expire and become void as provided in RCW 84.69.110, then any moneys remaining in a refund account established by the county treasurer for any taxing district may be transferred by the county treasurer from such refund account to the county current expense fund to reimburse the county for the administrative expense incurred in making refunds as prescribed herein. Any excess then remaining in the taxing district refund account may then

be transferred by the county treasurer to the current expense fund of the taxing district for which the tax was originally levied and collected. [2003 c 23 § 7; 1991 c 245 § 38; 1973 2nd ex.s. c 5 § 3; 1963 c 114 § 1; 1961 c 270 § 2; 1961 c 15 § 84.69.070. Prior: 1957 c 120 § 7.]

**84.69.080 Refunds with respect to taxing districts—Not to be paid from county funds.** Neither any county nor its officers shall refund amounts on behalf of a taxing district from county funds. [1961 c 15 § 84.69.080. Prior: 1957 c 120 § 8.]

**84.69.090 To whom refund may be paid.** The payment of refunds shall be made payable, at the election of the appropriate treasurer, to the taxpayer, his or her guardian, executor, or administrator or the owner of record of the property taxed, his or her guardian, executor, or administrator. [2013 c 23 § 381; 1961 c 15 § 84.69.090. Prior: 1957 c 120 § 9.]

**84.69.100 Refunds shall include interest—Written protests not required—Rate of interest.** Unless otherwise stated, refunds of taxes made pursuant to RCW 84.69.010 through 84.69.090 shall include interest from the date of collection of the portion refundable: PROVIDED, That refunds on a state, county, or district-wide basis shall not commence to accrue interest until six months following the date of the final order of the court. No written protest by individual taxpayers need to be filed to receive a refund on a state, county, or district-wide basis. The rate of interest shall be the equivalent coupon issue yield (as published by the Board of Governors of the Federal Reserve System) of the average bill rate for twenty-six week treasury bills as determined at the first bill market auction conducted after June 30th of the calendar year preceding the date the taxes were paid. The department of revenue shall adopt this rate of interest by rule. [2002 c 168 § 12; 1997 c 67 § 1; 1989 c 14 § 6; 1987 c 319 § 1; 1973 2nd ex.s. c 5 § 4; 1961 c 15 § 84.69.100. Prior: 1957 c 120 § 10.]

Additional notes found at www.leg.wa.gov

**84.69.110 Expiration date of refund orders.** Every order for refund of ad valorem taxes promulgated by the county treasurer or county legislative authority under authority of this chapter as hereafter amended shall expire and be void three years from the date of the order and all unpaid checks shall become void. [1991 c 245 § 39; 1961 c 15 § 84.69.110. Prior: 1957 c 120 § 11.]

**84.69.120 Action on rejected claim—Time for commencement.** If the county treasurer rejects a claim or fails to act within six months from the date of filing of a claim for refund in whole or in part, the person who paid the taxes, the person's guardian, executor, or administrator may within one year after the date of the filing of the claim commence an action in the superior court against the county to recover the taxes which the county treasurer has refused to refund. [1991 c 245 § 40; 1989 c 378 § 33; 1981 c 228 § 2; 1961 c 15 § 84.69.120. Prior: 1957 c 120 § 12.]

**84.69.130 Claim prerequisite to action—Recovery limited to ground asserted.** No action shall be commenced or maintained under this chapter unless a claim for refund shall have been filed in compliance with the provisions of this chapter, and no recovery of taxes shall be allowed in any such action upon a ground not asserted in the claim for refund. [1961 c 15 § 84.69.130. Prior: 1957 c 120 § 13.]

**84.69.140 Interest shall be allowed on amount recovered.** In any action in which recovery of taxes is allowed by the court, the plaintiff is entitled to interest on the taxes for which recovery is allowed at the rate specified in RCW 84.69.100 from the date of collection of the tax to the date of entry of judgment, and such accrued interest shall be included in the judgment. [1989 c 378 § 34; 1988 c 222 § 33; 1961 c 15 § 84.69.140. Prior: 1957 c 120 § 14.]

**84.69.150 Refunds within sixty days.** Notwithstanding any other laws to the contrary, any taxes paid before or after delinquency may be refunded, without interest, by the county treasurer within sixty days after the date of payment if:

(1) Paid more than once; or

(2) The amount paid exceeds the amount due on the property as shown on the roll. [1961 c 15 § 84.69.150. Prior: 1957 c 120 § 15.]

**84.69.160 Chapter does not supersede existing law.** This chapter is enacted as a concurrent refund procedure and shall not be construed to displace or supersede any portion of the existing laws relating to refunding procedures. [1961 c 15 § 84.69.160. Prior: 1957 c 120 § 16.]

**84.69.170 Payment under protest not required.** The remedies herein provided shall be available regardless of whether the taxes in question were paid under protest. [1961 c 15 § 84.69.170. Prior: 1957 c 120 § 17.]

**84.69.180 Property tax authority for funding refunds and abatements.** (1) Taxing districts other than the state may levy a tax upon all the taxable property within the district for the purpose of:

(a) Funding refunds paid or to be paid under this chapter, except for refunds under RCW 84.69.020(1), including interest, as ordered by the county treasurer or county legislative authority within the preceding twelve months; and

(b) Reimbursing the taxing district for taxes abated or canceled, offset by any supplemental taxes collected under this title, other than amounts collected under RCW 84.52.018 within the preceding twelve months. This subsection (1)(b) only applies to abatements and cancellations that do not require a refund under this chapter. Abatements and cancellations that require a refund are included within the scope of (a) of this subsection.

(2) As provided in RCW 84.55.070, the provisions of chapter 84.55 RCW do not apply to a levy made by or for a taxing district under this section. [2013 c 239 § 1; 2009 c 350 § 10.]

**Findings—2013 c 239:** See note following RCW 84.56.020.

Additional notes found at www.leg.wa.gov

# Chapter 84.70 RCW
# DESTROYED PROPERTY—ABATEMENT OR REFUND

Sections



**84.70.010 Reduction in value—Abatement—Formulas—Appeal—Physical improvements to qualifying single-family dwellings.** (1) If, on or before December 31 in any calendar year, any real or personal property placed upon the assessment roll of that year is destroyed in whole or in part, or is in an area that has been declared a disaster area by the governor or the county legislative authority and has been reduced in value by more than twenty percent as a result of a natural disaster, the true and fair value of such property shall be reduced for that assessment year by an amount determined by taking the true and fair value of such taxable property before destruction or reduction in value and deduct therefrom the true and fair value of the remaining property after destruction or reduction in value.

(2) Taxes levied for collection in the year in which the true and fair value has been reduced under subsection (1) of this section shall be abated in whole or in part as provided in this subsection. The amount of taxes to be abated shall be determined by first multiplying the amount deducted from the true and fair value under subsection (1) of this section by the rate of levy applicable to the property in the tax year. Then divide the product by the number of days in the year and multiply the quotient by the number of days remaining in the calendar year after the date of the destruction or reduction in value of the property. If taxes abated under this section have been paid, the amount paid shall be refunded under RCW 84.69.020. The tax relief provided for in this section for the tax year in which the damage or destruction occurred does not apply to property damaged or destroyed voluntarily.

(3) No reduction in the true and fair value or abatements shall be made more than three years after the date of destruction or reduction in value.

(4) The assessor shall make such reduction on his or her own motion; however, the taxpayer may make application for reduction on forms prepared by the department and provided by the assessor. The assessor shall notify the taxpayer of the amount of reduction.

(5) If destroyed property is replaced prior to the valuation dates contained in RCW 36.21.080 and 36.21.090, the total taxable value for that assessment year shall not exceed the value as of the appropriate valuation date in RCW 36.21.080 or 36.21.090, whichever is appropriate.

(6) The taxpayer may appeal the amount of reduction to the county board of equalization in accordance with the provisions of RCW 84.40.038. The board shall reconvene, if necessary, to hear the appeal.

(7)(a) Physical improvements to qualifying single-family dwellings are exempt from taxation for three assessment years subsequent to the completion of the improvement, subject to the conditions and limitations in this subsection (7).

(b) The amount of the exemption provided in this subsection (7) is limited to the amount of the reduction in value determined in subsection (1) of this section with respect to the qualifying single-family dwelling.

(c)(i) A taxpayer desiring to obtain the exemption provided in this subsection (7) must file an application with the county assessor on forms prescribed or approved by the department and made available to the taxpayer by the county assessor. Except as provided in (c)(ii) of this subsection (7), the application must be submitted by the taxpayer before initiating construction of the improvement. County assessors may not approve any application for exemption received after June 30, 2026.

(ii) If a taxpayer has, before July 25, 2021, initiated construction of physical improvements to a qualifying single-family dwelling, the taxpayer may apply for the exemption under this subsection (7) by October 1, 2021.

(d) The value of the improvements must be considered as new construction for the purposes of chapters 36.21 and 84.55 RCW as though the property was not exempt under this chapter.

(e) The department may adopt any rules necessary to administer this section.

(f) For purposes of this subsection (7), the following definitions apply:

(i) "Improvement" means any actual, material, and permanent change to a qualifying single-family dwelling damaged as a result of a natural disaster that increases the value of the dwelling. "Improvement" also includes the construction of a new single-family dwelling that replaces a qualifying single-family dwelling totally destroyed as a result of a natural disaster.

(ii) "Qualifying single-family dwelling" means a single-family dwelling:

(A) Upon real property located in an area that has been declared a disaster area by the governor or the county legislative authority and has been reduced in value by more than 20 percent as a result of a natural disaster that occurred on or after August 31, 2020;

(B) That has received a reduction in the true and fair value under subsection (1) of this section; and

(C) In which the legal or beneficial ownership is held by the same individual or individuals who owned the property at the time that it was reduced in value as a result of a natural disaster, or their relatives. For the purpose of this subsection (7)(f)(ii), "relative" means any individual related to another individual by blood, marriage, or adoption.

(8) For purposes of this section, an area that has been declared a disaster area by the governor includes areas within the scope of the governor's request to the president of the United States for a major disaster declaration. [2021 c 192 § 1; 2005 c 56 § 1; 2001 c 187 § 26; 1999 sp.s. c 8 § 1; 1997 c 3 § 126 (Referendum Bill No. 47, approved November 4, 1997); 1994 c 301 § 56; 1987 c 319 § 6; 1981 c 274 § 1; 1975 1st ex.s. c 120 § 2; 1974 ex.s. c 196 § 3.]

**Automatic expiration date and tax preference performance statement exemption—2021 c 192:** "The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act." [2021 c 192 § 2.]

**Application—2021 c 192:** "This act applies for taxes levied for collection in 2022 and thereafter." [2021 c 192 § 3.]

**Reviser's note:** No proposed amendment to Article VII, section 1 of the state Constitution was submitted to the voters.

*Refund of property taxes: Chapter 84.69 RCW.*

Additional notes found at www.leg.wa.gov

**84.70.040 Arson destroyed property.** No relief under this chapter shall be given to any person who is convicted of arson with regard to the property for which relief is sought. [1987 c 319 § 7; 1974 ex.s. c 196 § 6.]

Additional notes found at www.leg.wa.gov

## Chapter 84.72 RCW
## FEDERAL PAYMENTS IN LIEU OF TAXES

Sections



**84.72.010 State treasurer authorized to receive in lieu payments—Department of revenue to apportion.** The state treasurer is hereby authorized and directed to receive any moneys that may be paid to the state by the United States or any agency thereof in lieu of ad valorem property taxes, and to transfer the same to the respective county treasurers in compliance with apportionments made by the state department of revenue; and the state treasurer shall immediately notify the department of revenue of the receipt of any such payment. [1975 1st ex.s. c 278 § 211; 1961 c 15 § 84.72.010. Prior: 1941 c 199 § 1; Rem. Supp. 1941 § 11337-15.]

Additional notes found at www.leg.wa.gov

**84.72.020 Basis of apportionment.** Any such moneys so paid to the state treasurer shall be apportioned to the state and to the taxing districts thereof that would be entitled to share in the property taxes in lieu of which such payments are made in the same proportion that the state and such taxing units would have shared in such property taxes if the same had been levied. The basis of apportionment shall be the same as that of property taxes first collectible in the year in which such lieu payment is made: PROVIDED, That if any such lieu payment cannot be so apportioned the apportionment shall be made on such basis as the department of revenue shall deem equitable and proper. [1975 1st ex.s. c 278 § 212; 1961 c 15 § 84.72.020. Prior: 1941 c 199 § 2; Rem. Supp. 1941 § 11337-16.]

Additional notes found at www.leg.wa.gov

**84.72.030 Certification of apportionment to state treasurer—Distribution to county treasurers.** The department of revenue may indicate either the exact apportionment to taxing units or it may direct in general terms that county treasurers shall apportion any such lieu payment in the manner provided in RCW 84.72.020. In either event the department of revenue shall certify to the state treasurer the basis of apportionment and the state treasurer shall thereupon forthwith transmit any such lieu payment, together with a statement of the basis of apportionment, to the county treasurer in accordance with such certification. [1975 1st ex.s. c 278 § 213; 1961 c 15 § 84.72.030. Prior: 1941 c 199 § 3; Rem. Supp. 1941 § 11337-17.]

Additional notes found at www.leg.wa.gov

## Chapter 84.98 RCW
## CONSTRUCTION

Sections



**84.98.010 Continuation of existing law.** The provisions of this title insofar as they are substantially the same as statutory provisions repealed by this chapter, and relating to the same subject matter, shall be construed as restatements and continuations, and not as new enactments. [1961 c 15 § 84.98.010.]

**84.98.020 Title, chapter, section headings not part of law.** Title headings, chapter headings, and section or subsection headings, as used in this title, do not constitute any part of the law. [1961 c 15 § 84.98.020.]

**84.98.030 Invalidity of part of title not to affect remainder.** If any section, subdivision of a section, paragraph, sentence, clause or word of this title for any reason shall be adjudged invalid, such judgment shall not affect, impair or invalidate the remainder of this title but shall be confined in its operation to the section, subdivision of a section, paragraph, sentence, clause or word directly involved in the controversy in which such judgment shall have been rendered. If any tax imposed under this title shall be adjudged invalid as to any person, corporation, association or class of persons, corporations or associations included within the scope of the general language of this title such invalidity shall not affect the liability of any person, corporation, association or class of persons, corporations or associations as to which such tax has not been adjudged invalid. It is hereby expressly declared that had any section, subdivision of a section, paragraph, sentence, clause, word or any person, corporation, association or class of persons, corporations or associations as to which this title is declared invalid been eliminated from the title at the time the same was considered the title would have nevertheless been enacted with such portions eliminated. [1961 c 15 s 84.98.030.]

**84.98.040 Repeals and saving.** See 1961 c 15 s 84.98.040.

**84.98.050 Emergency—1961 c 15.** This act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately. [1961 c 15 § 84.98.050.]