Operations Manual

Property Tax Levies

Department of Revenue
Washington State

Property Tax Division
September 2021

Online Operations Manual – Tips and Updates

This manual is made available online to provide the most current and complete version of the Operations Manual to all users. The manual is designed for the convenience of the 39 county assessors and the Department of Revenue. It is also a useful tool for other county officials, taxing district officials, legislators, and, of course, taxpayers.

Unlike previous "hard copy" versions of the manual, this working document relies on "links" to the many statutes (Revised Code of Washington), rules (Washington Administrative Code), and Departmental forms that are used in the property tax levy process. The most commonly used levy statutes and rules are included in the text of the manual.

By clicking on a link, you "jump" to a source document that has the latest version of the document. For statutes and rules, the source is the Washington State Legislature's website (http://www1.leg.wa.gov/LawsAndAgencyRules/). For forms and publications, the source is the Department of Revenue's website (www.dor.wa.gov).

The manual is maintained by the Property Tax Division of the Washington State Department of Revenue. If you have any questions or suggestions about using this manual, please contact Diann Locke at DiannL@dor.wa.gov or (360) 534-1427.

Printing from the Online Manual

The basic narrative of the manual, the forms, and the publications are generally in "PDF" or "Word" format and can be printed using your computer's print function. However, when you wish to print a statute or rule that you have "linked" to, remember to click on a "printable version" before using your computer's print button.

Notification of Updates to the Manual

The recent updates will be listed in the online manual. If you reprint your manual at this time, the updates listed below will be included. Be sure to transfer any notes you made in your old manual to the new manual!

Updates to the Levy Manual

- Levy Manual Title Page (September 2021)
- Chapter 1:
  - 1.3 – Added link to Property Tax Relief Progam for Individuals Manual
  - 1.6 – Updated count of taxing districts and tax code areas
  - 1.7 – Updated language regarding interest and penalties
  - 1.9 – Updated Significant events by adding 2021 legislative changes and corrected reference in 2017 changes from assessed value to market value
- Chapter 2:
  - 2.1,2.7, and 2.8 – Updated several references from budget to certified levy request amounts
  - 2.10 and 2.11 – Updated certification date references
  - 2.12 – Updated example date references and certification date references
- Chapter 3:
  - 3.1 – Updated RCW 84.52.043, clarified when a levy expires so does their levy limits, and updated references from district budget to certified levy amount
  - 3.1.1 – Corrected listing of participating districts in a regional fire service authority
  - 3.2 – Updated RCW 84.52.056 and added certified levy amount as a levy limitation to several of the different levy types
  - 3.3 – Added a note to the weed district
- Chapter 4:
  - 4.1 - Updated certification date references
  - 4.2 – Updated RCW 84.55.120
  - 4.3 – Updated state school statutory maximum rate limit to reflect $3.60 again, and updates RCW 84.52.043
  - 4.4 – Updated RW 84.55.01, added reference to new local tax increment finance area as part of levy limit calculation
  - 4.4.2 – Added new levy lid lift supplant language
  - 4.5 – Updated references from prorated rate to reduced rates, added reference to exclusion of certain King County park and rec. districts from the $5.90 limit
  - 4.6 - Added references to King County park and rec. districts within the Const. 1 percent limit
- Chapter 5:
  - 5.9 – Updated certification dates and removed reference to county legislative authority and port district's alternate budget hearing dates.
- Chapter 6:
  - 6.1 – Updated dates in example
  - 6.5 – Updated language on how to calculate the effective rate
  - 6.6 – Added instructions to determine the designated forest land acreage at the same time as determining the tax due on designated forestland

  - 6.6 – Removed reference concerning providing DOR with a copy of the Timber Excise Distribution Worksheet in February and updated information regarding Priority 3 distributions.
  - 6.7 – Updated the interest rate calculation example
  - 6.10 – Updted date references
  - 6.11 – Added information regard local tax increment financing areas
- Appendix B – Added new property tax bulliten links
- Appendix D – Added local tax increment financing statute link
- Appendix E – Added comment to Park and Rec. district's $5.90 limitation

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CHAPTER 1 – Overview of Property Taxation

All real and personal property in the state of Washington is subject to property tax based on 100 percent of its fair market value unless the law provides a specific exemption.

1.1 Uniformity

The Washington State Constitution requires all taxes on real estate to be uniform within a taxing district. This requires all taxes imposed by any taxing district to be the same on property of the same market value. The one exception to this is for agricultural, timber, and open space land. The Constitution authorizes these lands to be valued on the basis of their current use rather than fair market value.

The Department of Revenue is responsible for levying the state property tax for the support of common schools. Because of the different assessment practices and cycles in the various counties, it is possible that the assessed value of property in a county may not equal 100 percent of the true and fair value of the property. To provide a uniform base upon which to impose the state property tax, the Department of Revenue equalizes the assessed values of the various counties to true and fair value.

1.2 Exemptions

The state Constitution exempts all property of the United States and of the state, counties, school districts, and other municipal corporations. The Legislature is authorized to exempt other property by general law. Major exemptions enacted by the Legislature include business inventories, household goods and personal effects, churches and their grounds, hospitals, private schools and colleges, and tribal lands used for essential government services.

1.3 Senior Citizens and Disabled Persons

The state Constitution authorizes the Legislature to grant to retired property owners relief from the property tax on their principal residence. Current law authorizes property tax relief on the principal residences of senior citizens and persons retired by reason of disability if they meet certain income requirements. In addition, these qualifying taxpayers may defer any remaining property taxes and special benefit assessments on the residence. Amounts deferred may accumulate up to 80 percent of the homeowner's equity. Amounts deferred become a lien on the property in favor of the state. Upon death or eventual sale of the property, the full amount of deferred taxes is due along with interest. Detailed information regarding these exemptions can be found in the Property Tax Relief Programs for Individuals Manual.

1.4 Valuation and Assessment

The responsibility for valuing property lying wholly within individual county boundaries lies with the county assessor. The responsibility for valuing intercounty, interstate, and foreign utility companies lies with the state Department of Revenue.

There are three common approaches used in valuing real property: the sales approach (comparable sales), the cost approach (replacement cost), and the income approach (capitalized income potential). The assessor may apply one, two, or all three methods to a given parcel. The sales approach is used mainly for residences, the cost approach is used for manufacturing and similar special purpose facilities, and the income approach is used principally for commercial property including apartment houses. For tax purposes, property is assessed on its value on January 1 of the assessment year.

1.5 Revaluation Cycles

Statute requires all counties to revalue properties each year and complete a physical inspection at least every six years.

1.6 Legal Framework for Levy Administration

Washington State Constitutional Provisions - Article 7 of the Washington State Constitution is entitled "Revenue and Taxation." Section 1 of Article 7 concerns the power to tax and provides that:

> *The power of taxation shall never be suspended, surrendered or contracted away. All taxes shall be uniform upon the same class of property within the territorial limits of the authority levying the tax and shall be levied and collected for public purposes only. The word "property" as used herein shall mean and include everything, whether tangible or intangible, subject to ownership.*

Washington State Legislation - To implement the constitutional provisions listed above, the Legislature enacted a variety of statutes concerning levies, the bulk of which are contained in chapters 84.52 and 84.55 RCW.

The Department's broad authority over the levy process is contained in RCW 84.08.010 and 84.08.060, respectively.

RCW 84.08.010 provides in pertinent part that "The department of revenue shall:

> *(1) Exercise general supervision and control over the administration of the assessment and tax laws of the state...and perform any act or give any order or direction to...any...county officer as to the valuation of any property, or class or classes of property...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...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.

Revised Code of Washington - The Revised Code of Washington (RCW) is the compilation of all permanent laws now in force. The laws referencing property tax levies can be found in chapter 84.52 and 84.55 RCW.

Washington Administrative Code - Pursuant to this authority, the Department has adopted Washington Administrative Code (WAC) Rules 458-19-005 through 458-19-550 to aid assessors in making the necessary calculations under the various statutory sections.

Tax Base - Property taxes apply to the assessed value of all taxable property, which includes all real and personal property located within the state, unless specifically exempted. Real property includes land, structures, and certain equipment affixed to the structure; personal property includes machinery, supplies, certain utility property, and other items that are movable.

Tax Rate - Property tax rates are the annual levy rates applied to the assessed value of taxable property by the various taxing districts, including the state and various types of local jurisdictions that have levy authority under state law. As of March 1, 2019, for taxes due in 2020, there are 1,866 taxing districts throughout the state. Property tax levy rates are expressed in terms of dollars per one thousand of assessed value. A taxing district's rate must apply uniformly throughout the district. However, because of the many overlapping jurisdictions, there are 3,205 tax code areas in which a particular combination of levy rates may apply.

1.7 Administration

Local - The property tax is levied and collected at the county level. The assessment function is the responsibility of the county assessor. In addition to determining the value of real and personal property for tax purposes, the assessor calculates and certifies levy rates for most taxing districts, assuring that the limits to the levy rates are not exceeded. The assessor compiles an assessment roll showing the assessed value of all taxable property and a tax roll indicating the amount of levies that are due from each owner. The assessor also processes applications for the Senior Citizen and Disabled Person Property Tax Exemption Program, Limited Income Deferral Program, Senior Citizen and Disabled Person Deferral Program, and the Current Use Program.

The county treasurer prepares the annual statement of taxes due and sends it to owners in mid-February. Owners must pay at least one-half of the tax by April 30 and the remainder by October 31. The treasurer receives the payments and distributes the funds to the accounts of the appropriate taxing districts.

State - The Department of Revenue is also involved in the administration of property taxes in order to assure uniformity throughout the state. Major programs conducted at the state level include:

- Promulgating administrative rules and procedures
- Providing technical assistance and training
- Assisting with complex appraisals upon request of the assessor

- Developing manuals, forms, and maps
- Assessing intercounty, interstate, and foreign utility companies
- Conducting studies to determine the average level of assessment
- Calculating the state school levy rates
- Appraising commercial boats and maintaining valuation schedules for pleasure boats
- Updating the statutory forest land values annually
- Reviewing county revaluation plans and programs
- Determining nonprofit exemptions

Appeals - Property owners who disagree with the established amount of their assessed value may appeal to the county board of equalization. The board reviews appeals and issue orders either sustaining the assessor's determination, reducing the assessment, or increasing the assessment based on the facts the taxpayer and the assessor present. Taxpayers may also make appeals to the State Board of Tax Appeals which, like the county board, decides only questions of property valuation—not levy rates or the amount of tax due.

Penalties - If the treasurer does not receive the payments by the due dates, certain penalties apply. See chapter 84.56 RCW for current information.

1.8 Distribution of Receipts

State Levy - Both Part 1 and Part 2 to the state general fund, earmarked for support of basic education.

Local Levies - To the account of the taxing district by the county treasurer. Taxing districts are to use the funds for the purposes the levy specifies; e.g., the regular levy in most cases is used for general operation of the district, whereas the proceeds of special bond levies are applied to the annual principal and interest payments of the bonds.

1.9 Significant Events in the History of Property Tax in Washington State

1853	U.S. Organic Act establishes territorial government. All taxes are to be assessed uniformly. Property of the United States, churches, and benevolent institutions are exempt.
1886	Revenue-producing property of churches is taxable.
1889	State Constitution is adopted. Property is to be assessed uniformly.
1900	$300 of personal property per household is exempt.
1925	Exemptions are granted for private schools and colleges.
1929	14th Amendment to the state Constitution: Classification of property is allowed with all real estate being one class; all taxes are to be uniform upon the same class of property within the boundaries of the taxing authority levying the tax.
1931	Yield tax on reforestation lands and mines is permitted (effective 1931). Certain intangibles are exempt from the property tax.

1932 Initiative imposed a 40-mill limit on combined regular levies of all taxing districts, with property to be assessed at 50 percent of value. Redd v. State Tax Commission limited state authority over local assessments.

1935 The Revenue Act exempts all household goods and personal effects.

1937 On-highway motor vehicles are exempt from property taxes. An excise tax (1.5 percent of value) for on-highway motor vehicles is adopted.

1943 House trailers are exempt from the property tax but made subject to the 1.5 percent motor vehicle excise tax.

1944 17th Amendment to the state Constitution: Adds 40 mill limit; property is to be assessed at 50 percent of true and fair value.

1955 Property revaluation cycle is established—4 year interval.

1961 Freeport exemption is granted for goods in transit.

1965 47th Amendment to the state Constitution: Allows property exemption for retired persons.

1967 Senior citizens are exempt from first $50 of real property tax. Barlow v. Kinnear provides the state with assessment equalization power.

1968 53rd Amendment to the state Constitution: Provides current use assessment for open space, timber, and agricultural lands.

1969 State sponsored revaluation plan is instituted to make the 1955 revaluation act fully effective. Carkonen v. Williams mandates a 50 percent ratio of assessment value to market value.

1970 Open Space Law implements the 53rd Amendment: Leases of public land are subject to assessment.

1971 The $50 senior citizen exemption is replaced by exemption from special levies ($4,000 and under income qualification for 100 percent exemption; $4,001 to $6,000 income qualification for 50 percent exemption).

Annual increase in regular levies of local taxing districts is limited to 106 percent of the largest regular levy of 3 previous years, effective for 1974 taxes.

Annual updating of property values is permitted.

Standing timber is exempt from property tax, and an excise tax based on stumpage value is imposed to replace this revenue source.

Expanded exemption is allowed for facilities of private schools.

Moratorium is in effect until 1973 on leasehold estates. Selling costs can be deducted (overruled in 1972).

Interest on delinquent property taxes is lowered from 10 percent to 5 percent per year up to $500, with 10 percent interest still due on the balance. If first half taxes are paid timely (by April 30th) and second half taxes become delinquent (after October 31st), the interest rate is 10 percent per year.

1972 Home improvement exemption is created: Up to 30 percent of the original value is

exempt from property taxation for 3 years.

Approval of SJR1 constitutionally limits all regular levies to 1 percent of the property value ($10.00 per $1,000 of assessed value).

The requirement of 40 percent voter turnout for special levies is removed. (The 60 percent majority requirement for approval is retained).

1973 Assessment level is increased from 50 percent to 100 percent of true and fair value for 1975 taxes.

Current use assessment of farm land is based on net cash rental value.

Permanently affixed mobile homes are returned to the property tax system.

1974 Ten year phaseout of property tax on inventories is authorized (10 percent per year, accomplished through annually increasing B&O tax credits), completed in 1983.

Eight percent delinquency rate is established.

Fire district service charge is approved (to be proportional to benefits conferred by the district; aggregate charges are limited to 60 percent of the district operating budget for the year the charge is imposed and must be approved by a 60 percent majority of the district's voters).

Senior citizen exemption provisions are revised. Qualified taxpayers with annual income of $5,001 to $6,000 are exempt from 50 percent of excess levies. Those with income of $5,000 or less are exempt from 100 percent of excess levies. If income is $4,000 or less, an additional exemption from regular levies on the first $5,000 of property assessed value is provided.

An exemption for livestock is to be phased in.

1975 The 100 percent assessment ratio is implemented, and the statutory rate limit is reduced to $9.15 per $1,000 of assessed value. (The Legislature set the maximum at $10.00 per $1,000 of assessed value and then, in allocating the reduced rate, cut the maximum rates of certain district categories by an additional 10 percent).

Deferral of property taxes and special assessments is allowed for senior citizens with income of less than $8,000. (Income is to be adjusted annually based on Consumer Price Index).

1976 64th Amendment to the state Constitution: Permits school districts to seek voter approval of two-year special levies.

1977 Qualifying income levels for the senior citizen exemption are increased by $2,700.

Property tax exemption for solar energy facilities is approved.

Phase-in of special M&O (maintenance & operation) school levy is limited to 10 percent of prior year's expenditure for basic education; to be fully effective by 1981 levies.

1978 Seattle School District v. State requires full state funding of K-12 education.

1979 State levy for common school support is subject to 106 percent limitation.

1980 Senior citizen exemption is revised: The one-third exclusion for social security income is eliminated, but qualifying income levels are increased by $3,000.

Exemptions for gasohol manufacturing facilities and for added value of

unconventional energy systems (until 1987) are authorized.

Persons with life estates are eligible for senior citizen exemption.

Compensating tax on open space lands is shifted from buyer to seller. Forest land value is adopted for 1982; it is to be updated by the Department of Revenue based on five-year average stumpage value.

1981 Interest rate on delinquent, non-deferred, property taxes is increased from 8 percent to 12 percent (effective 7/26/81). There is a new penalty of 11 percent for first year delinquencies (effective 1/1/82). The foreclosure period is shortened from 5 years to 3 years (effective 5/83).

Exemptions for nonprofit musical and artistic organizations and public assembly halls are established.

Valuation reduction process is changed for property involved in natural disaster damage. It is no longer necessary to make application.

Levy is allowed for park and recreation service areas. Statutory values established for forest lands.

1982 The physical inspection requirement is extended to 6 years if assessor updates values annually.

Port industrial development levy is extended to 12 years. The formation of solid waste disposal districts and cultural arts, stadium, and convention districts are authorized—both with limited authority.

1983 Business inventories are eliminated from property tax and assessment rolls, effective in 1983 for 1984 collections, allows compensation (1984 through 1987) for districts with large inventory values.

1984 The legal requirements for payment of penalties and interest on delinquent taxes are relaxed. Interest and penalties may now be paid on "first half" taxes without affecting the amount and due date of "second half" payments.

Exemption is granted to nonprofit cultural or art education programs.

Senior citizen exemption qualifications are revised. Households with annual income of $15,000 or less are exempt for all excess levies. Those with incomes of $12,000 or less are exempt from all property taxes.

Current use assessment is in place for conservation easements.

Qualification requirements for property tax deferral are made the same as for senior citizen/disabled person's tax exemption.

1985 Senior citizen exemption qualifications are revised, effective for 1985 tax roll. Qualified taxpayers with annual income of $15,000 or less are exempt from all excess levies. In addition, those with annual income of $9,001 to $12,000 are exempt from regular tax levies on the greater of $20,000 or 30 percent of the assessed value up to $40,000. If income is $9,000 or less, the greater of $25,000 or 50 percent of valuation is exempt from regular property tax.

Valuation standards for open space lands under current use assessment are to be established by counties.

Provision is made for special valuation of eligible historic property.

Benefit rating system is authorized.

1986 A limited waiver of the 106 percent levy limitation may be placed before the voters.

Levies for school capital purposes may be made for up to 6 years with voter approval.

1987 Senior citizen exemption qualifications are revised, effective for 1989 tax roll. Qualified taxpayers with annual income of $18,000 or less are exempt from all excess levies. Those with an annual income of $12,001 to $14,000 are exempt from regular levies on the greater of $24,000 or 30 percent of assessed value up to $40,000. If income is $12,000 or less, the greater of $28,000 or 50 percent of valuation is exempt from regular levies.

Special M&O school levy limit is raised from 10 percent to 20 percent of budget.

Equalization procedure is established.

Interest rates on property tax refunds are increased.

1988 The head of family exemption for personal property was increased from $300 to $3,000 by the voters.

Property tax exemptions are delayed until the year following submittal of the application.

The state levy is protected from prorationing because it is excluded from the aggregate maximum.

A new class of taxing districts, denoted "senior" districts, is created. The combined maximum for local senior and junior districts is set at $5.55. A formula is provided for proration.

Annexations of fire districts of contiguous territory located in other counties are authorized.

The minimum amount of property tax due in order to split payments and pay the second half of October 31st increased from $10 to $30.

An administrative revision specifies that levies must be set by November 30th.

1989 Homes for the Aging property tax exemption: Total exemption is provided to federally subsidized housing and nonprofit homes at least half-occupied by persons eligible for the senior citizens exemption (to impact taxes due in 1991).

Levies for school maintenance and operations are limited to 20 percent of the district's budget for basic education minus "levy reduction funds." Voter approval overrides the 106 percent growth limitation limited to nine-year duration if the purpose is to redeem outstanding bonds.

1990 The aggregate local property tax levy rates are increased from $5.55 to $5.90 per $1,000 of assessed valuation to relieve prorationing among junior tax districts and to increase the capacity of the county levy.

Public hospitals and metropolitan park districts are allowed to use special levy authority approved by voters, provided such levies do not impact the 1 percent limit.

1991 Senior citizen exemption qualifications are revised: Taxpayers with income below $26,000 are eligible for relief from all special levies. Those with income of $15,000 or less also receive a value exemption of the greater of $34,000 or 50 percent of

their home value. Those with incomes between $15,001 and $18,000 receive a value exemption of the greater of $30,000 or 30 percent of their home value not to exceed $50,000. The maximum income level for eligibility in the senior citizen deferral program is changed from $18,000 to $30,000. The age for eligibility was also changed. Homeowners must be 61 on December 31 of the application year.

1992 Conservation districts are given the authority to levy special assessments for a period of up to 10 years without the approval of the county legislative authority.

The property tax exemption for nonprofit homes for the aging is amended to increase the maximum income level for eligibility from $18,000 to $22,000.

1993 A property tax exemption is given to organizations (such as United Way) that distribute gifts, donations, or grants to at least five other nonprofit organizations.

Travel trailers that are permanently fixed are subject to property tax.

The Department of Revenue is required to list, bill, and collect taxes on certain commercial vessels.

Senior citizens with property tax exemptions are allowed to rent out their residence for the purpose of paying their nursing home or hospital costs while so confined.

Authorization is given for a public housing levy of up to 50 cents for up to 10 years by citizens, towns, or counties for building or maintaining affordable housing.

Eligibility requirements for nonprofit homes for the aging receiving exemptions are amended, including deleting the two-unit exemption for each unit of eligibility.

Amendments are made to restrictions on the use of public assembly halls and veteran's organizations' properties that receive a property tax exemption. Fundraising is allowed by nonprofit organizations, income-producing activity of other persons is allowed up to a maximum of three days per year.

1995 The maximum income level for eligibility in the senior citizen deferral program is changed from $30,000 to $34,000.

1997 A property tax exemption is given to real and personal property that has an assessed value of less than 500 dollars.

The 106 percent levy limit calculation was fundamentally changed. A special ordinance or resolution must identify increases in both dollar figures and percentages. Increases over the inflationary factor require a second resolution identifying “substantial need” for districts with population over 10,000. Levy limit increases are dependent upon district population and substantial need for increase.

1998 Senior citizen exemption qualifications are revised: Taxpayers with incomes below $30,000 are eligible for relief from all special levies. Those with incomes of $18,000 or less also receive a value exemption of the greater of $50,000 or 60 percent of their home value. Those with incomes between $18,000 and $24,000 receive a value exemption of the greater of $40,000 or 35 percent of their home value, not to exceed $60,000.

1999 A property tax exemption is provided for very low-income housing that is owned or operated by a nonprofit organization. To qualify, the project must be insured, financed, or assisted in part through a federal or state housing program, or it must be

funded by an affordable housing levy.

Taxing districts that have not levied since 1985 may restore their regular levy based on the last levy plus additions for new construction and improvements to property. Prior to this legislation, districts that had not levied in the previous 3 years were required to base the restored levy on the amount that could have been lawfully levied in 1973.

Destroyed property owners are entitled to a refund or abatement of taxes due in the year of destruction. The amount of refund or abatement is prorated from the time destruction occurs.

2001 The Legislature authorizes the correction of errors in levies. Errors affecting all of the taxpayers within a district are to be corrected through an adjustment of the taxing district's levy in succeeding years. This provision applies to errors occurring on and after January 1, 2002.

Voters approve Initiative 747. This Initiative limits increases in levy amounts to 1 percent rather than the 6 percent allowed under previous provisions. The 1 percent limit may be exceeded only with voter approval.

2002 The cost of new or rehabilitated housing exempt under chapter 84.14 RCW is to be counted as new construction for levy purposes upon expiration of the exemption.

2003 Lid-lifts for counties, cities, and towns may be approved for a six-year period with one vote. The ballot measure must contain the limit factor to be used each year. The limit factor may exceed 1 percent and may differ each year.

2004 Property belonging exclusively to federally recognized Indian tribes are eligible for exemption if the property is used for essential government services.

A criminal justice levy (similar to EMS levy) for counties of 90,000 or less in population is introduced.

Regional fire protection service authorities that may raise money through regional sales and use taxes, benefit charges, or property taxes are created.

Senior citizen exemption qualifications are revised: Taxpayers with incomes below $35,000 are eligible for relief from all special levies. Those with incomes of $25,000 or less also receive a value exemption of the greater of $60,000 or 60 percent of their home value. Those with incomes between $25,000 and $30,000 receive a value exemption of the greater of $50,000 or 35 percent of their home value not to exceed $70,000. The deferral limit is reset at $40,000.

2005 The senior citizen and disabled person’s exemption was extended to veterans with a 100 percent, service-connected disability.

Taxing district’s budget certification deadline was moved to November 30.

A property tax exemption was created for newly installed sprinkler systems in nightclubs.

A new program of grants for payment of property taxes is created to offer additional relief to widows and widowers of certain honorably discharged veterans.

Statutes for special districts such as diking, drainage, and mosquito districts were amended to require that when special benefit assessments are determined against

forest lands, agricultural lands, or open space lands using property values, the reduced assessed value must be used.

Fire districts may protect up to 25 cents of their 2nd and 3rd levies from proration. Up to 25 cents may be imposed outside of the $5.90 aggregate limit. However, protected amounts become the first levy to be reduced if proration is required under the 1 percent constitutional limit.

2006 Nonprofit exemptions for public assembly halls, veterans' organizations, schools, and colleges were revised to allow expanded uses and rentals.

The Legislature created a citizen commission for Performance Measurement of Tax Preferences. The commission will systematically review tax preferences over the next ten years.

Senior Property Tax Deferral Program interest rate was lowered from 8 percent to 5 percent.

Local Infrastructure Financing Tool (LIFT) was enacted. Incremental local excise tax and local property tax may be used by a host municipality to help pay bonds on major infrastructure construction projects. Initially available to three specific projects.

The value of locally assessed, newly constructed wind turbines that are valued as personal property may be included in the property tax levy limit calculation in the manner of new construction and improvements to property.

The head of family exemption for personal property was increased from $3,000 to $15,000 by the voters for 2007 tax year.

2007 The ability to request multiple year lid-lifts was extended to all taxing districts. The taxing district must set the levy rate for the first year and then set the limit factor or specific index to be used in determining the limit factor.

The effective date for establishing boundaries for most taxing districts was changed from March 1 to August 1.

The use of school district capital projects funds was expanded to include technology. There is no limit on how many capital fund levies for technology a school district may impose at one time, but they are limited to six years. The levy rate calculations are based on 100 percent of the TAV.

2008 Single year and multiple year lid lifts are considered temporary unless the ballot proposition approved by voters makes the increase permanent.

Boundary lines must be established by August 1 in order to collect property tax in the following year for all taxing districts except newly created port districts, regional fire protection service authority districts, and mosquito districts. Newly created port districts and regional fire protection service authority districts must have their boundaries established by October 1 in order to collect property tax in the following year, if the boundaries are coterminous with another taxing district. If they are not coterminous with another district, the August 1 date applies.

When a state of emergency is declared under RCW 43.06.010(12), the county treasurer may grant an extension for the due dates of any property tax payable under RCW 84.56.020.

Counties, cities, and towns may create a beach management district. Beach management districts are similar to lake management districts in which a special assessment or rates and charges may be imposed on property.

An advance tax is no longer required to be paid prior to recording a binding site plan with the county auditor.

2009 Property tax resulting from levy lid lifts can be used to supplant existing funds beginning with levies submitted and approved by the voters after July 26, 2009, in counties with a population of less than 1.5 million. In counties with a population of 1.5 million or more, property tax levy lid lift funds can be used to supplant existing funds for levies approved by the voters after July 26, 2009, and through 2011.

The statutory maximum levy rate of county ferry districts was changed from $0.75 per thousand dollars of assessed value to $0.075 per thousand dollars of assessed value in counties with a population of 1.5 million or more.

A new transit levy was created in counties with a population of 1.5 million or more to expand transit capacity along State Route 520 and other transit-related purposes. The maximum statutory levy rate is $0.075 per thousand dollars of assessed value. The levy is subject to the levy limit in RCW 84.55.010 after the first tax levy has been imposed. The levy is subject to the constitutional 1 percent levy limit, but it is not subject to the $5.90 levy limitation.

2010 A new community facility district may be formed to provide voluntary financing for community facilities and local, sub regional, and regional infrastructure. The board of supervisors of such district may impose a special assessment on the property.

Regional Transit Authority (RTA) – When area outside of the RTA is annexed to a city or code city located within the boundaries of an RTA, the annexed area is simultaneously included within the boundaries of the RTA.

Annexation indebtedness – All property located within the boundaries of a city, partial city, or town annexing into a fire protection district and which is subject to an excess levy by the city or town for the repayment of debt incurred for fire protection related capital improvements that was incurred prior to the annexation is exempt from voter-approved property taxes levied by the annexing fire protection district for the repayment of indebtedness issued prior to the effective date of the annexation.
Fire protection districts may be authorized in areas both inside and outside of cities and towns. Also a city or town adjacent to a fire district may be annexed into such a fire district provided the population of the city of town does not exceed 300,000.

School districts may return to voters after they have received voter approval for an M&O levy requesting additional levy authority if the district's levy base or maximum levy percentage has increased since the initial levy. Thus allowing a school district to have multiple M&O levies at one time.

2011 EMS Levies - The boundary of a county with a population of 1.5 million or more does not include the area located within a city that has boundaries in two counties

for EMS levy purposes. The locally assessed value of all property in the area of the city within the county with a population greater than 1.5 million must be less than $250 million.

A flood control zone district may protect up to $0.25 of their levy rate outside of the $5.90 limitation. The district must be located in a county with a population of 775,000 or more and whose boundaries are coextensive with the county. The protected rate is subject to early prorationing due to the constitutional 1 percent limitation. This protection applies to levies collected in 2012 through 2017.

Municipal airports were added to fire districts, cities, towns, port districts, and Indian tribes that can participate in a regional fire protection service authority.

Metropolitan Park Districts with a population greater than 150,000 located in a county with a population of 1,500,000 or more, can protect up to $0.25 of their levy outside of the $5.90 levy limitation with voter approval. The protected rate is subject to early prorationing in the constitutional one percent levy limitation.

2012 EMS Levies – An "uninterrupted continuation" renewal of a 6-year or 10-year EMS levy only requires a majority vote and does not require any validation requirements. The second levy must have the same previously approved levy rate by the voters to qualify as a continuation.

Benefit Assessments - Cities and towns that have annexed territory previously serviced by a fire district since 2006 or is currently in the process of annexing may impose a fire benefit charge to impose fire protection services.

Personal Property Amnesty - The county legislative authority may authorize the assessor to waive penalties for assessment years 2011 and prior for a person or corporation failing or refusing to deliver to the assessor a list of taxable personal property under certain circumstances. Taxpayers receiving penalty relief may not seek a refund or otherwise challenge the amount of tax liability.

School District Insolvency – Criteria for a financially insolvent school district was identified and a process established describing how the district is dissolved or transferred to one or more contiguous school districts.

Rehabilitated Multi Unit Dwelling Exemption – Counties may authorize a property tax exemption for new and rehabilited multiple-unit dwellings in certain unincorporated urban centers.

2013 Veterans' and Mental Health/Developmental Disabilities Earmarked Funds – These earmarked funds may be increased or reduced in the same proportion as the regular county property tax levy, as approved by the county legislative authority.

Voter Approval for Fire District Benefit Assessment Charges - The continued imposition of a benefit charge is subject to voter approval by a simple majority, rather than supermajority, of the voters living within the jurisdiction of the fire protection district.

Refund Levies – In addition to taxing districts levying for refunds made or to be made, they can levy for taxes that have been cancelled from the tax roll offset by taxes that have been supplemented to the tax roll.

Valuation of Publicly Owned Property - The requirement for assessors to determine the value of publicly owned property not subject to property tax is eliminated. However, when the exempt status no longer applies as a result of a sale or change in use, an assessor must value and list the property.

A leasehold excise tax credit is eliminated for certain leasehold interests for the amount, if any, that the tax exceeds the property tax applicable if the property were privately owned.

Electronic Notification - Assessors may send by electronic means assessments, notices, or other information that they would otherwise be required to send, or would customarily send, by regular mail.

2014 Solar, biomass, and geothermal facilities that generate electricity and operate entirely within a single county is treated like new construction for purposes of calculating levy limits.

A port district, that is not countywide, with an assessed value of $150,000,000 or more may be created in a county, without an existing port district, if the port district is created before December 31, 2020.

2015 Conservation district's maximum rate per parcel was adjusted.

The January 1, 2018, expiration date allowing countywide flood control zone districts located in a county with a population over 775,000, authority to protect up to $0.25 of its property tax levy rate from reduction or elimination under the $5.90 aggregate rate limit was removed.

Additionally, beginning with taxes levied for collection in 2018, countywide flood control zone districts in counties located in the Chehalis River Basin can also protect up to $0.25 of its property tax levy rate from reduction or elimination under the $5.90 aggregate rate limit.

To provide port districts greater flexibility when financing industrial development district (IDD) projects, the IDD levy may be spread over a period of 20 years. The total aggregate amount levied over the 20-year period cannot exceed what could have been collected in a six-year period at the annual rate of $0.45 per $1,000 assessed value.

The county legislative authorities may authorize a refund on a claim filed more than three years after the payment due date if the claim is for taxes paid as a result of a manifest error in the description of the property and the correction would result in a refund or reduction of taxes for the property owner.

2016 Cities and towns may levy a special assessment and/or obtain a lien to reimburse for expenses of nuisance abatements.

New state land finance tool (SLIFA) - Limited cities can fund public improvement within the state land financing area. All taxing districts that offer services to the area will finance the improvements, with the exception of the state school levy and excess levies.

2017 The State school levy (EHB 2242):

- An additional second part was added to the levy for collection year 2018 and thereafter.
- For taxes due in collection years 2018 through 2021 the aggregate levy rate is $2.70 per thousand dollars market value.
- Part 1 of the levy is not subject to the levy growth limit in chapter 84.55 RCW for collection years 2019, 2020, and 2021.
- Part 2 of the levy is not subject to the levy growth limit in chapter 84.55 RCW for collection years 2018 through 2021.
- The levy rates from the 2018 collection year are fixed for the 2019, 2020, and 2021 collection years.
- Individuals who qualify for the senior citizen/disabled person property tax exemption are exempt in full from Part 2 of the levy.
- Farm machinery and equipment is exempt from Part 2 of the levy.
- For collection year 2022 and thereafter the aggregate rate limit is $3.60 per

thousand dollars market value.
- For collection year 2022 and thereafter both parts of the levy are subject to the levy growth limit in chapter 84.55 RCW.

Local school district levies (EHB 2242):
- Maintenance and Operation levies are renamed Enrichment levies as of the 2019 collection year.
- Transportation Vehicle levies are renamed Transportation Vehicle Enrichment levies as of the 2019 collection year.
- Enrichment levies cannot exceed the lesser of $1.50 per thousand dollars assessed value or $2,500 per pupil. The per pupil limitation must be increased by inflation beginning in 2020.
- Enrichment levies for collection in 2020 and thereafter, require a school district to receive approval of an enrichment levy expenditure plan by the Office of Superintendent of Public Instructions before the levy proposition can go to the ballot.

The requirement to have a full-time paid employee or contract for a full-time employee is removed allowing all fire districts to have a statutory maximum levy rate of $1.50 per thousand dollars assessed value (HB1166).

The levy lid lift statute was updated allowing all taxing districts in Thurston County upon voter approval to increase the maximum period from nine years to 25 years in which the district may raise their property tax growth limit to repay bond debt. (SSB 1344)

The highest lawful levy for regional fire service protection authorities (RFA) is now calculated as if they did not levy a benefit assessment (SHB 1467).

County treasurers may provide taxpayers annual property tax statements electronically (EHB 1648).
A city, county, or contiguous group of cities or counties can limit the purpose and or statutory maximum levy rate for the district upon creation of a metropolitan park district (SSB 5138).

Fire districts can annex a city or town with a population of 300,000 or less if the city or town is located within a “reasonable proximity” to that fire district. Fire districts can also merge with one another when they are within a “reasonable proximity” of each other. Reasonable proximity is a geographical area near enough to each other so that governance, management, and services can be delivered effectively (SB 5454).

Voters can approve the creation of a fire district with the same boundaries of a city or town. When this occurs, the city or town must reduce its general fund regular property tax levy upon creation of the fire district (ESSB 5628).

2018 Fire districts or RFAs may annex land, or participate in a merger, when the boundaries are located "within a reasonable proximity," rather than "adjacent" to the district or RFA.

Cities and counties may request the voters to approve a levy lid lift with a condition that exempts taxpayers who qualify for a Senior Citizen/Disabled Person exemption under RCW 84.36.381 from paying the increased levy amount.

Property taxes by a regional transit authority district, under RCW 81.104.175, may not be imposed on less than a whole parcel situated within the boundaries of the district. Only those real property parcels that are wholly located within the boundary of a regional transit authority district are subject to the property tax.

EMS levies:

- Voter requirement is reduced to a simple majority approval for non-initial EMS levies.

2019 School district enrichment levies limits increased to the lesser of $2.50 per $1,000 assessed value or $2,500 per full-time student in districts with less than 40,000 students, or $3,000 per full-time student in districts with 40,000 or more students. The per-pupil limit will be increased annually by inflation.

Upon an unresolved finding in a State Auditor report, the amount of the finding must be reduced from a school district's enrichment levy.

A new tax increment financing tool is created for the development of commercial office space in cities in a county with a population of less than 1,500,000. The program can use a local sales and use tax program and local property tax reinvestment program to incentivize the development of commercial office space.

The income thresholds for the Senior Citizen/Disabled Person Exemption program are updated:

- Income threshold 1 is the greater of $30,000, or 45 percent of the median household income for the county.
- Income threshold 2 is the greater of $35,000, or 55 percent of the median household income for the county.
- Income threshold 3 is the greater of $40,000, or 65 percent of the median household income for the county.
- Income thresholds can never be less than the previous year.

Veterans' with a service-connected disability evaluation of 80 percent or higher, or being paid at the 100 percent rate because they are unemployable due to their service-conneced disability may qualify for the property tax exemption program.

The deferral program threshold is increased to the greater of $45,000 or 75 percent of the median household income for the county.

A graduated real estate excise tax is implemented:

- 1.1 percent if the selling price is equal to or less than $500,000;
- 1.28 percent on the portion of the selling price that is greater than $500,000 but equal to or less than $1,500,000;
- 2.75 percent on the portion of the selling price that is greater than $1,500,000 but equal to or less than $3,000,000; and
- 3 percent on the portion of the selling price that is greater than $3,000,000.
- A rate of 1.28 percent is imposed on the sale of undeveloped land, timberland, agricultural land, and water or mineral rights, regardless of selling price.

2020 The term limit for bond debt for rural county library, intercountry rural library, and island library districts is increased from six years to 20 years.

A single ballot measure asking the voters to approve the creation of a library capital facility area may also include how the area will be financed. Supermajority voter approval is required to approve the ballot measure.

Fire districts and regional fire protection districts can ask the voters to approve a continued 10 year benefit assessment or permanent benefit assessment.

A new method of annex property into a code city by using an interlocal agreement is available to prevent illogical boundaries or "islands".

The county legislative authority may levy a separate levy or special assessment if the county assumes responsibility for services previously provided by a dissolved district.

A second date for assessors to certify the assessment to the board of equalization has been created. If the county has extended the appeal deadline past 30 days, the county assessor must certify the assessment roll to the BOE on or before August 15.

2021 Park and recreation districts in King County, located on an island, are not subject to the $5.90 aggregate limit for that tax years 2022 through 2026. They remain subject to the 1 percent constitutional limit. (HB 1034)

Counties, cities, port distircts, or any combination of may create a local tax increment financing area (LTIF) to finance public improvements. The levy limit for most taxing districts within the LTIF area is increased each year based on the increase in assessed value within the area, as long as the increased assessment is not included elsewhere in the levy limit calculations. The increased levy capacity is not carried forward as part of the district's highest lawful levy since 1985. (ESHB 1189)

Real property characteristics may be reviewed in accordance with international association of assessing officer standards for physical inspection. (EHB 1271)

Levy certification dates were pushed back to December 15 for county levy purposes and the first Monday in December for the county legislative authority to certify the levy amounts for other taxing districts to the county assessor. The November 30 certification date remains unchanged for those districts, other than for county purposes, authorized to certify directly to the county assessor. (SHB 1309)

Industrial/manufacturing facilities new construction exemption expanded from certain cities within Snohomish County to all cities in all counties. (EHB 1386)

The 2022 tax year school district enrichment levy per-pupil limit is based on the greater of the 2019/2020 or 2020/2021 school year average annual full-time equivalent students enrolled if the district was open for a minimum of 40 hours of in-person instruction per month. (ESHB 1476)

The affordable housing exemption is expanded. A new 20-year exemption for certain qualifying property is added and a opportunity for a 12-year extension on an existing exemption is added. (E2SSB 5287)

Three year single family dwelling exemption expanded through June 2026, when the dwelling was damaged by a natural disaster occurring on or after August 31, 2020. (ESB 5454)

In King County, revenues from levy lid lift approved in 2015-2022 may be used to supplant existing revenue. (E2SHB 1069)

CHAPTER 2 – Elements of the Property Tax Levy

This chapter looks at the elements of the levy process as seen from the perspectives of the ***taxpayer*** and the ***taxing districts***. It provides a general overview of the process and, in the end, addresses some basic issues and lists the necessary things that must be in place before you start to calculate levies.

2.1 The Simple Levy Process

The levy process has two players:

Taxpayers	(You; me; ABC Company; Bits 'n' Bytes, Inc.; etc.)
and	
Taxing districts	(Fire Departments, Schools, Cities, Counties, etc.)

We need to know only one piece of data from each player:

Taxpayers	The value of their parcels.
Taxing districts	Their certified levy request amounts.

The levy process is very easy and quite simple:

The levy amount for the taxing district divided by
The value of all the taxpayers' parcels in the district.

This equals the tax rate for the district.

Each taxpayer then pays taxes on:

The value of the parcels belonging to the taxpayer
times
The tax rate for the district

The taxes are collected and given to the district, and the process is complete. This will be referred to as ***"THE SIMPLE LEVY PROCESS"*** throughout this chapter. Please read ***"THE SIMPLE LEVY PROCESS"*** again. It is as simple as it looks.

When the real levy process becomes overwhelming, remember . . . ***"THE SIMPLE LEVY PROCESS."*** It may help clear up what appears to be a complicated mess.

As noted in Chapter 1 of this manual, there has been a long history of property taxation in our country. Our nation and state have seen generations of lawyers and legislators fine tuning and changing the property tax laws to our (the taxpayers') advantage. The simple process of levies has become much more complicated, but the players have remained the same:

Taxpayers and the value of their parcels

Taxing districts and the property tax funds they need

2.2 The Taxpayer

It is appropriate that we start with the taxpayers, as they are the most important part of the whole process. Only the taxpayer creates market value. It is for the benefit of the taxpayer that all the taxing districts exist, and the taxpayer pays the bills for the services he or she receives.

When the appraisal staff from the assessor's office finish their reappraisal and mail the values (revaluation notices) for each parcel in the county to the taxpayers, the levy process begins. Values that are mailed may not be the actual figures used in levy calculations. The appraisers' values may be reduced for the following reasons:

- Taxpayer Appeals
- Destroyed Property
- Exemptions
- Current Use Programs

2.3 Taxpayer Appeals

All taxpayers have the right to appeal their values. There are two issues upon which to base an appeal:

1. The value placed on the property is not correct.
2. The value placed on the property is not equitable with values placed on comparable properties.

Values of property are based on market prices (market value). State law requires assessors to value all taxable property at 100 percent of its true and fair market value, based on the highest and best use of the property. Market value is the amount of money a willing and unobligated buyer is willing to pay a willing and unobligated seller. To prove the appraised value is not correct, the taxpayer must present sales of similar properties and show the assessor has valued the property at something other than market value.

Values on property should be equitable on comparable properties throughout a neighborhood. To prove the values are not equitable, the taxpayer would present values of similar properties and show that the assessor has valued the property unfairly or inequitably.

There are three paths of appeals:

1. Taxpayers can resolve most issues by talking with the staff in the assessor's office. They are professionals who take pride in their work. They appreciate information about property and values that the taxpayer can bring to their attention.
2. If a taxpayer still disagrees about value after talking with staff in the assessor's office, the second level of appeal is the administrative appeal process through the county board of equalization (BOE). Taxpayers must file their appeal by July 1 or within 30 days of the date on the notification of a change (revaluation notice) in assessed value. The county legislative authority may extend the deadline up to 60 days. A taxpayer can appeal most decisions by the county board of equalization to the State Board of Tax Appeals if he or she is not satisfied with the county board's decision. Finally, if a taxpayer is not satisfied with the State Board of Tax Appeals' decision (in a formal hearing), the decision could be appealed to superior court.
3. The third path of appeal requires paying the tax under protest and filing a refund action in court.

Here are the important things to remember about appealing values:

1. Taxpayers must file a timely appeal,
2. They must have evidence that supports market value, and
3. They must appeal to the local BOE by July 1 or 30 days from the date on the revaluation notice (60 days in counties where the legislative authority has extended the filing date). The taxpayer may use any or all of the three approaches to demonstrate market value.

2.4 Destroyed Property

All taxpayers have the right to request a reduction of value due to destroyed property. The assessor's office has forms to complete for property that has been destroyed in whole or part in the last 3 years. Destroyed property abatement or refund is discussed in chapter 84.70 RCW.

2.5 Exemptions

All taxpayers have the right to apply for any exemption for which they qualify, including:

- Senior citizen
- Disabled citizen
- Head of family
- Home improvement
- Nonprofit
- Historic property
- Sprinkler systems in nightclubs
- Widow/Widower of veteran

The assessor's office staff can explain how to get the benefit of these exemptions. The Department of Revenue (DOR) administers the nonprofit exemption. It is available to certain properties used by nonprofit organizations for purposes the Legislature has selected for exemption.

2.6 Current Use Assessments

Taxpayers may apply for special reduced valuations for their property that qualifies under the Open Space Taxation Act. The 1970 act encourages property owners to continue using their property for open space land, farm and agricultural purposes, or growing and harvesting timber. If the county approves their application, it would base the property taxes on a reduced valuation of those properties as long as they meet the appropriate criteria. The act states it is in the state's best interest to maintain, conserve, and preserve these types of lands.

Forest lands (five acres or larger) also receive a reduced valuation when used for growing and harvesting timber. Assessors grade and value the land exclusive of the value of the timber. The timber standing on these lands is not subject to property tax. Instead, the timber is subject to an excise tax when harvested.

2.7 Levy Calculations

To calculate levies, first reduce each parcel's "appraised value" by any taxpayer exemptions or appeals to arrive at the "taxable value." Most of the items in the "BEFORE YOU START" checklist at the end of this chapter concern these reductions. The levy clerk needs to track the amount of reduction in some of the categories for reports to the Department of Revenue.

Once you have established the taxable value of the parcels, you have completed half of the process for calculating levies. Now we are ready to look at the taxing districts and their certified levy request amounts.

2.8 Taxing Districts and Tax Code Areas (TCAs)

To most taxpayers, taxing districts are:

- Fire Districts
- Mosquito Districts
- Schools
- Counties
- Cities
- Ports
- Hospital Districts
- Park Districts
- Public Utility Districts (PUDs)

To a person steeped in the ins and outs of our levy system, the true nature of a taxing district is best described by "certified levy requests" and "puzzle pieces on a levy map." This is a point where the simple process outlined in the introduction to this chapter begins to get complicated. Taxpayers, parcel value, taxing districts, and certified levy requests are all relatively clear, but what does "puzzle pieces on a levy map" mean? What do they have to do with our ***"simple levy process?"***

It is easy to calculate one person's tax for one taxing district using the ***"simple levy process."*** To calculate tax for 10,000 taxpayers and 100 taxing districts using the simple process is a little more complicated.

Let's look at the ***"simple levy process."*** In calculating the tax rate for the taxing district, the process said:

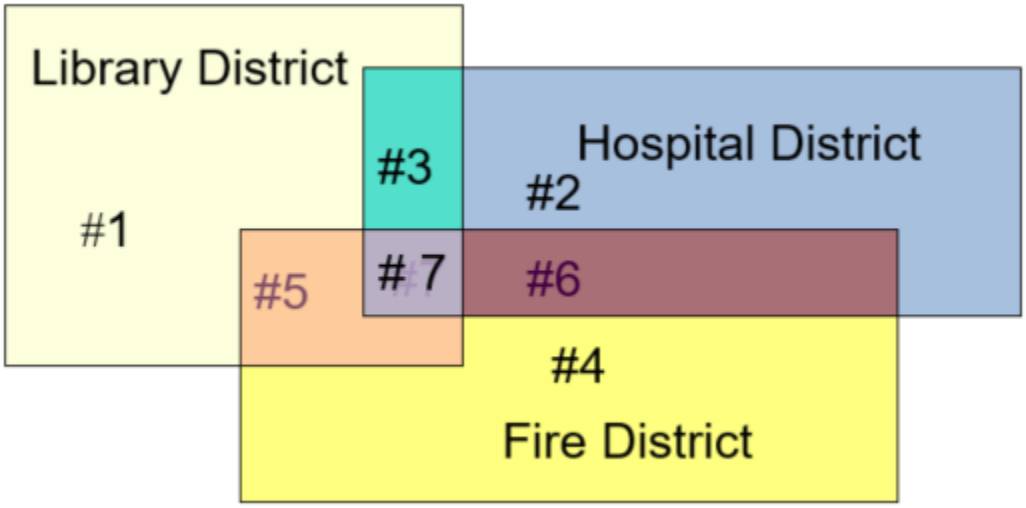
> **The certified levy request for the taxing district is divided by the value of all the value of all the taxpayers' parcels in the district**

The problem is two-fold:

1. Knowing which parcels are in which district.
2. Since each parcel is in several districts, we would be required to sum each parcel many times.

To allow the assessors' offices to operate in a more efficient manner, tax code areas (puzzle pieces on a levy map) are created and used in the "real levy process." Tax code areas and levy maps solve both the problem of matching parcels to districts and the problem of multiple summations per district.

Here's a simple example of how three taxing districts can create seven tax code areas.



Each piece inside the map represents a unique combination of taxing districts and is called a tax code area (TCA).

TCA #1 represents just the library district, TCA #2 represnts just the hospital district, while TCA #3 represents both the library and hospital district. TCA #4 represents the fire district. TCA #5 represents the fire and library district. TCA #6 represtents the fire and hospital districts and finally TCA #7 represent all three districts.

The county needs to keep track of all taxing district boundaries. It sends all changes to the Washington State Department of Revenue. The Department keeps track of levy maps for every district in every county in the whole state. Numbers are assigned to each tax code area.

The assessor's office keeps track of the parcels by tax code area numbers. If we need to know what taxing districts get value from a particular parcel, we can look up the tax code area the parcel is in and see what districts it represents. We only have to sum the parcel values to its tax code area once. When we need to know the sum of all the value for a particular school district, we add the value for each tax code area that makes up the district. When we calculate the tax rates for all the districts, we only need to sum the rates that make up each tax code area to get the combined rate for all its parcels. This makes our lives much easier.

The "Simple Levy Process" is still valid; however, the "real world" of levies has this extra layer of tax code areas. Tax code areas allow us to combine the information about parcel values and tax district budgets in an easier, more efficient manner.

At first glance, these puzzle pieces appear to make things more complicated, but tax code areas are our "friends."

With the help of tax code areas, we can get the total of the value of all parcels in a taxing district. Since law allows taxing districts to collect a specific tax rate on the total value in their district to do their business, they use this data to prepare their budgets.

Because taxing district boundaries are so important to tax code areas, a lot of rules have been established to give guidelines to the assessor's office. The following section covers these rules and how the districts change their boundaries. If you are not concerned with ***taxing district boundaries,*** you may wish to skip this next section and go to ***taxing district budgets.***

2.9 Taxing District Boundaries

Knowing when a new taxing district is created or if a taxing district's boundary lines changed is a very important part of calculating the levy limitations. Districts must establish their boundaries by a certain date in order for the taxing district to collect property taxes in the following year.

The three dates to watch are August 1, September 1, and October 1. All taxing districts—with the exception of newly created port districts, regional fire protection service authority districts, school districts that annex or receives territory from a financially insolvent school district, and mosquito districts—must establish their boundary lines by August 1 if they wish to levy funds in the following year. Newly created port districts and regional fire protection service authority districts, if coterminous with another taxing district or districts, must establish their boundary lines by October 1 to levy in the following year. If the boundary lines are not coterminous with another district, they must establish their boundary lines by August 1 to levy in the following year. Mosquito districts must establish their boundary lines by September 1 to levy in the following year. School districts that annex or receive territory from a financially insolvent school district must be established on September 1 of the year in which a levy is to be made for the enlarged school district. And finally, newly created fire district's boundaries are established the day the voter approved proposition is certified when the fire district was formed under RCW 52.02.160.

Because of the importance of boundary dates, we have included the RCWs that apply. Be sure to check for any revisions to the RCWs if you are working on levy boundaries.

> ***RCW 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;]

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 state board of education may approve and order that the transferred territory shall either be subject to or relieved of such excess levied, 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.*

Legislation was passed in 2018, SSB6475, regarding the ability of regional transit authorities to impose property tax. A regional transit authority district may not impose a tax under RCW 81.104.175 on less than a whole parcel situated within the boundaries of the district. Only those real property parcels that are wholly located within the boundary of a regional transit authority district are subject to the property tax.

2.10 Taxing District Budgets

To receive their taxes, most taxing districts must certify their budgets or estimates to the county legislative authority (i.e., county commissioners or county executive) on or before November 30. The county legislative authority must certify the total levy amount to be levied for those districts to the assessor on or before the first Monday in December. The county legislative authority must certify the amount of taxes levied for county purposes to the assessor on or before December

15th. Taxing districts with the authority to certify their levy request amounts directly to the assessor must do so on or before November 30th.

The certified levy amount is one of the limitations on taxation, although there are laws that limit the taxing districts' rates to protect the taxpayers. If the commissioners of the district can provide the necessary services without taxing the full amount, then the taxpayers' burden is reduced. (The assessor's office applies the various limits to each taxing district and lowers their certified levy request amount until it reaches the limits.

2.11 District Budget Dates

September: RCW 36.40.050 requires the county auditor to submit a preliminary budget to the county commissioners on or before the first Tuesday in September.

October: Commissioners adopt a budget on the first Monday in October (RCW 36.40.070, 36.40.080, and 36.40.090). Budget hearings may be held the first Monday in December (RCW 36.40.071).

November 30: This is the last day for most cities and other taxing districts to file their budgets with the county commissioners (RCW 84.52.020). It is also the last day for any taxing district authorized to certify their levy request amounts directly to the county assessor (RCW 84.52.070(2)).

1st Monday In December: The county legislative authority must certify to the county assessor the amount of taxes levied for most taxing districts within or coextensive with the county (RCW 84.52.070(1).

December 15: The county legislative authority must certify to the county assessor the amount of taxes levied for county purposes (RCW 84.52.070(1)).

We have come full circle. We started with the taxpayers. We saw how their parcel values and the taxing districts' levy request amounts interact in the levy process. We looked at the rights taxpayers have to reduce their taxable value. We have discussed taxing districts and how the puzzles of tax code areas work to make the calculations easier. Finally, we saw how the levy request amounts of the taxing districts are limited to protect the taxpayer.
In following sections, the levy process will be looked at in much greater detail.

2.12 Assumed Knowledge for New Levy People

This final section of this chapter covers a few of the concepts that don't fit into any other part of this manual and a list of things that you need to do before starting the levy process. These are the things that everyone who has ever done a levy assumes are common knowledge.

Preliminary Levy Estimates

Because of the taxing district’s need for budget information before the final calculation of values, most assessors’ offices produce a preliminary estimate of values and tax receipts in September of each year. This preliminary computer run usually uses last year's values for state-

assessed properties, personal property, and exemptions since the current year's figures are not always available. Notification of the preliminary values do not replace the assessor's requirement to certify both locally and state assessed utility values to the taxing districts once they have received the utility values from the Department and have apportioned the assessments to the different taxing districts.

"Freeze"

Once all elements are finalized and the actual levy process is started, many assessors' offices "freeze" or stop processing any more changes to certified values until after the levy process is finished. This will allow the county assessor and county treasurer to easily balance the tax roll with the levy calculations.

State-Assessed Values

The state assesses properties that cross county boundaries (telephone, power, gas distribution, railroad, etc.). You cannot calculate accurate levy figures until all values, including the state-assessed values, are available. When calculating levies, it is important to have all preliminary work done so the levy process can proceed without delay when you receive the state-assessed values.

Increases in utility values from year to year must be tracked for the levy limit calculation, which is discussed later in this manual.

Assessment Year/Tax Year

To complicate things a bit for laypersons, the tax system does not use normal years for processing. In fact, three different years are used. The three years are current year, assessment year, and tax year.

- The ***current year*** is the regular calendar year.
- The ***tax year*** is the year taxes are due.
- The ***assessment year*** is the year that the value was determined for the tax year. By law, the value of property on January 1, 2021, is the value for the assessment year 2021. In assessment year 2021, the assessor's office determined the value of property for taxes due in tax year 2022 (assessment year 2021 for tax year 2022).

New Construction

The value of new construction in each taxing district must be tracked for the levy limit calculation, discussed later in this manual. Because not all increase in value is new construction, it must be tracked separately from increases in value due to revaluation. New buildings are treated differently than old buildings. First, all property, except new construction, is appraised at its value on January 1 of the ASSESSMENT YEAR and is listed on the assesment roll by May 31. New construction, however, is appraised at its value on July 31 of the ASSESSMENT YEAR and must be listed by August 31 of the ASSESSMENT YEAR. New construction is closely linked to improvements needing building permits.

The "Before You Start" Checklist

Because of the many diverse elements that go into the levy process, it is helpful to make sure each element is completed and ready to be included. The following list outlines most of these elements and gives a brief explanation as to how they fit into the process.

We have divided the elements into two sections: **parcel and district.**

The number one rule is **double-check everything!** Take nothing for granted; start from scratch. Be sure to check for any revisions to the RCWs or WACs.

Parcel Level Elements

A lot of parcel value comes from state-assessed property appraised by the DOR. Without these, you really can't do the calculations. Be sure to compare the values from last year. If you are a small county, it may be possible to review on a parcel-by-parcel basis. Large counties should look at the totals by tax code area. Double check!

The reduction from the appraised value of parcels to their taxable value before the levy calculations can start. Double check with the board of equalization to ensure you have received all the changes. Go back to your files. How many appeals can you account for? Double check! Is there a very large taxpayer who appealed to the State Board of Tax Appeals? Does the difference between the taxpayer's value and the assessor's value exceed ¼ of 1 percent of the total assessed value of the property in the county? If it does, you have to reduce the taxable value of the affected tax code areas (RCW 84.52.018). This is to reduce any financial burden to refund those tax dollars if the taxpayer prevails.

Exemptions and Reduced Assessments: (Double check each one)

- Seniors/Disabled
- Nonprofit
- Head of Family
- Home Improvement
- Current Use and Designated Forest Lands
  (Remember the new applications—received in 2014 processed in 2015 for tax year 2016.)
- Historical Property
- Multi-urban Family Exemptions

Check the RCWs for any revisions regarding eligibility.

Parcels that have multiple exemptions or partial exemptions need special attention, double check.

DOR sends a list of all non-profit exempt property every year. Compare the current year's list to last year's exemptions, and verify they were input correctly this year.

The appraisers said they were done with new construction values, but were the values entered? Did the addition of new construction change the mix of levies in the TCA? For example, before the new construction was the parcel considered wholly unimproved and was not subject to the fire district's regular levy, but now it is? Make sure to double check.

District Level Elements

Once the parcel level elements are ready, the district totals can be addressed.

First, check the tax code area map from DOR. Compare it to last year's. It should show all the annexations that occurred. Double check all the annexations are accounted for. Make sure all the parcels have been changed to reflect their new tax code areas.

These must be updated first. Any changes in boundaries may influence the values summed to the taxing district. The changes due to annexations are important to the levy limit and must be tracked for each district.

Now we are ready to total the assessed value for each district. Look at last year's values, can you account for the changes? Make sure to double check.

Total new construction for each district, does it look right? Make sure to double check!

Timber Assessed Value (TAV)

Timber assessed value is one of the many strange elements in the levy process. Under chapter 84.33 RCW, standing timber is exempt from ad valorem property tax. In place of the property tax is a harvest tax. Timber is taxed when it is harvested. The state gives some of this harvest tax back to some taxing districts as value to reduce the levy rate.

DOR provides each assessor with county TAV and estimates of the number of acres available for timber harvesting for each county and taxing district. Always double check!

A discussion of TAV and how to calculate district TAV appears later in this manual.

Certified Levy Request for Districts :

- School
- County
- City
- Criminal Justice
- Fire
- Regional Fire Protection Service Authority
- Mosquito
- Hospital
- Port
- Park
- Cemetery
- Library
- PUD

Are you sure you have all the certified levy requests for all districts? The county legislative authority should have certified the levy requests to the asseseor by the first Monday in December and December 15th. It may not hurt to check with the county legislative authority to make sure it has certified all requests to the assessor's office.

Now that you have all the taxing district's levy requests, are they correct? You may want to check with the auditor's office to see what property tax elections occurred that may affect this year's levy calculations. It is in your best interest to scan the election results sheets and, better yet, request a copy for your levy files.

Don't forget the joint districts you have with the counties next door. Make sure to communicate with the adjoining county assessor(s). One of you has to figure the levy for the other, but both of you need to have the levy information and parcel values on hand.

Now we can catch all those special assessment districts like weed, irrigation, drainage, mosquito, and whatever else there might be. Did the local weed board change the per acre assessment? Was there a change in the forest fire protection assessment from Department of Natural Resources?

Now is a good time to think about cross-training and in-depth expertise. Send two people to the levy school. After all, who will check your work? Two pairs of eyes can be really helpful for catching mistakes and it is a good way to double check.

If you have followed these simple steps, you can start the levy calculations. Remember, it is just a simple mathematical computation from now on… right! All you have to do is follow the rules.

IMPORTANT DATE:

January 15:	Last day to certify completed levies and tax roll to treasurer. **LEVIES ARE DONE!**

CHAPTER 3 – Types of Levies

3.1 Regular Property Tax Levies

Regular property tax levies are generally considered levies subject to the statutory limitations described below in RCW 84.52.043. As long as the levy amounts remain within the rate limits the law specifies and does not exceed the limitations imposed on levy growth, the taxing district officials make the budget decisions and determine the size of the property tax levy. Most "regular" property tax levies do not require approval of the voters. Review the following statutes, as they are relevant to all regular levies, along with the statutes specifically enacted for a particular type of regular levy. We reference the more specific statutes in the summaries of levy types that follow.

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]*

84.52.043 Limitations upon regular property tax levies. ***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 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 RCW84.52.816; and (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 84.52.043(3)(a)(vii).

There are also a number of regular levies that do need voter approval from time to time. We list these in summaries following the non-voted regular levies. Typically, the same limitations apply to this levies as other regular levies.

Levies for affordable housing, criminal justice, emergency medical services, and others are authorized for districts that see the need for these special services in their area. These levies require voter approval to start levying for a set number of years, often six to 10 years. When the initial levy term expires so do the levy limitations associated with that levy. If the voters approve a new levy, the levy limitations start out new again.

3.1.1 Non-voted Regular Levies

Cemetery District

RCW:	68.52.290 and 68.52.310 (Regular), 84.52.052 (Excess)	
Maximum Statutory Levy Rate:	$0.1125/$1,000 Assessed Value	
Type of Levy:	Regular	
Type of District:	Junior	
Affecting Levy Limits:	Levy Limit	Statutory Rate
	$5.90	Certified Levy Amount
Excess Levies Authorized:	General	
	1%	
Governing Body:	Board of Cemetery District Commissioners. The board consists of 3 commissioners, who are elected at large for 6-year, staggered terms.	
Purpose:	To establish and operate cemeteries.	
Notes:	2019 Legislation provides guidance on the withdrawal of territory when there are no voters residing within the territory subject to the withdrawl. (RCW 68.54.130)	

3.1.1 Non-voted Regular Levies

City Disincorporation District

RCW:	35.07.180		
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value		
Type of Levy:	Regular		
Type of District:	Senior		
Affecting Levy Limits:	Levy Limit $5.90	Statutory Rate 1%	Certified Levy Amount
Excess Levies Authorized:	None		
Governing Body:	The elected receiver. (RCW 35.07.120 and 35.07.130)		
Purpose:	To extinguish prior obligations.		
Notes:	None.		

City General Levy District

(Annexed to a fire or library district, or participates in a regional fire service authority)

RCW:	84.52.043 (Regular), 84.52.052 (Excess) 35.02.130, 35.02.180, 35.02.210, 35A.01.020, 35A.01.030		
Maximum Statutory Levy Rate:	$3.60/$1,000 Assessed Value plus an additional $0.225 for fire fighter's pension fund if applicable less amount of levy made by fire or library district		
Type of Levy:	Regular		
Type of District:	Senior		
Affecting Levy Limits:	Levy Limit $5.90	Statutory Rate 1%	Certified Levy Amount
Excess Levies Authorized:	General and Bond		
Governing Body:	City Council		
Purpose:	General city expenses.		
Notes:	Also see Earmarked Funds section for funds that come out of the city's levy. If a city is annexed to either a fire (RCW 52.04.081) or a library district (RCW 27.12.390), they are allowed to levy up to $3.60, less the actual regular levy made by the fire or library district. If the city has a fire fighter's pension fund, the $.225 rate is added to the city's $3.60 maximum statutory levy rate. Cities participating in a regional fire service protection district must reduce their statutory maximum levy rate by the rate levied by the regional fire service protection district. (RCW 84.52.044)		

3.1.1 Non-voted Regular Levies

City General Levy District

(Without annexation to a fire or library district)

RCW:	84.52.043 (Regular), 84.52.052 (Excess) 35.02.130, 35.02.180, 35.02.210, 35A.01.020, 35A.01.030, 35.13.256 (Benefit Assessment Charge)*
Maximum Statutory Levy Rate:	$3.375/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Senior
Affecting Levy Limits:	Levy Limit $5.90 Statutory Rate 1% Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	City Council
Purpose:	General city expenses.
Notes:	To enhance fire protection services, the city or town may issue the benefit charge if they are annexing or, since 2006, has annexed all or part of one or more fire protection districts. Cities participating in a regional fire service protection district must reduce their statutory maximum levy rate by the rate levied by the regional fire service protection district (RCW 84.52.044) 2017 Legislative update – If voters approve the creation of a fire district with the same boundaries of the city or town, the city or town must reduce its general fund regular property tax levy upon creation of the new fire district. This does not alter the city or towns statutory maximum levy rate since they are NOT annexed to the fire district.

3.1.1 Non-voted Regular Levies

County Current Expense District
(General Levy)

RCW:	36.40.090 and 84.52.043 (Regular), 84.52.052 (Excess)
Maximum Statutory Levy Rate:	$1.80/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Senior
Affecting Levy Limits:	Levy Limit $5.90 Statutory Rate 1% Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	County Commissioners
Purpose:	General county expenses.
Notes:	Levy rate may be raised up to $2.475/$1,000 AV, if the total levies for both the county and road district within the county do not exceed $4.05/$1,000 AV, and no other taxing district has its levy rate or amount reduced as a result of the increased county levy rate or amount. The combined levy cannot exceed the levy limit. (See Earmarked Funds, Veteran's Relief, and Mental Health.)

County Special Purpose Dissolved District

RCW:	RCW 84.55.135
Maximum Statutory Levy Rate:	Same as district that was dissolved
Type of Levy:	Property tax or special assessment as authorized for the dissolved district.
Type of District:	Senior
Affecting Levy Limits:	Levy Limit $5.90 Statutory Rate 1% Certified Levy Amount
Excess Levies Authorized:	Same as district that was dissolved
Governing Body:	County Commissioners
Purpose:	Provide services of a dissolved special purpose district within the boundaries of the dissolved district.
Notes:	County must assume responsibility of services previously provided by the special purpose district**.** Special assessment means any special assessment, benefit assessment, or rates and charges imposed by the dissolved special purpose district.

3.1.1 Non-voted Regular Levies

	County Road District
RCW:	36.82.040 and 84.52.043 (Regular), 84.52.052 (Excess)
Maximum Statutory Levy Rate:	$2.25/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Senior
Affecting Levy Limits:	Levy Limit Statutory Rate Certified Levy Amount $5.90 1%
Excess Levies Authorized:	General and Bond
Governing Body:	County Legislative Authority
Purpose:	Establishing, laying out, constructing, altering, repairing, improving, and maintaining county roads, bridges, and wharves.
Notes:	See RCW 84.52.043 for required decreases.

	County Ferry District
RCW:	36.54.130 (Regular), 36.54.130 (Excess)
Maximum Statutory Levy Rate:	$0.75/$1,000 Assessed Value (counties with a population of less than 1.5 million) OR $0.075/$1,000 Assessed Value (counties with a population of 1.5 million or more)
Type of Levy:	Regular
Type of District:	Junior
Affecting Levy Limits:	Levy Limit Statutory Rate 1% Certified Levy Amount
Excess Levies Authorized:	General
Governing Body:	County Legislative Authority
Purpose:	To provide passenger-only ferry service.
Notes:	Only available in a county with a population over one million and with a boundary on Puget Sound.

3.1.1 Non-voted Regular Levies

County Transit District

RCW:	84.52.140 (Regular)
Maximum Statutory Levy Rate:	$0.075/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Junior
Affecting Levy Limits:	Levy Limit Statutory Rate Certified Levy Amount 1%
Excess Levies Authorized:	General
Governing Body:	County Legislative Authority
Purpose:	Expanding State Route 520 and transit-related purposes.
Notes:	The county must have a population of 1.5 million or more to make this levy.

3.1.1 Non-voted Regular Levies

Fire Protection District

RCW:	52.16.130 (Regular), 52.16.140 (Regular), 52.16.160 (Regular), 84.52.125 (Protection from proration), and 84.52.130 (Excess)
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value $0.50/$1,000 Assessed Value $0.50/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Senior/Junior
Affecting Levy Limits:	Levy Limit $5.90 Statutory Rate 1% Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	Three commissioners (five if full-time paid, fire department), six-year, staggered terms.
Purpose:	To eliminate fire hazards and protect life and property.
Notes:	If the district levies a benefit assessment (RCW 52.26.180) they cannot levy the regular tax under RCW 52.16.160. In 2002, Washington adopted a constitutional amendment authorizing multi-year excess levies for fire protection districts. As of 2005 legislation, fire districts may impose up to $0.25/$1,000 AV outside of the $5.90 limit if that amount would be prorated under RCW 84.52.010(3)(b)(vi). If protected from $5.90 proration, the amount is subject to early prorationing under the constitutional 1 percent limitation. Even though separate statutes address the three $0.50 levies, treat them one levy when calculating the levy limit. The highest lawful levy will include the third $.50 levy even if the district is levying a benefit assessment charge. Fire districts participating in a regional fire service protection district must reduce their statutory maximum levy rate by the rate levied by the regional fire service protection district (RCW 84.52.044) 2018 – Annexations whether the petition method or election method, two or more fire districts joining a regional fire service authority (RFA), fire districts merging, or a fire district annexing into a RFA can be within a reasonable proximity. 2019 – A new annexation method is available until January 1, 2021, allowing a fire district to annex territory when the property is located within the external boundaries of the fire district. The assessor must verify the property being annexed has not been paying taxes to the fire district.

3.1.1 Non-voted Regular Levies

	Public Utility District
RCW:	54.16.080
Maximum Statutory Levy Rate:	$0.45/$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	Levy Limit Certified Levy Amount
Excess Levies Authorized:	None
Governing Body:	A commission of three members in three commissioner districts and five members in five commissioner districts. Six-year, staggered terms for commissioners, other than commissioners at large. Four-year staggered terms for commissioners at large.
Purpose:	To conserve water and power resources and to supply public utility service, including water and electricity for all uses.
Notes:	General levy is exclusive of GO bond payments.

3.1.1 Non-voted Regular Levies

Regional Fire Protection Service Authority

RCW:	52.26.030 (Formation), 52.26.050 (Service Plan), 52.26.060 (Service Plan Vote), 52.26.140(1)(a), (1)(b), ((1)(c) 1 full time employee required) & (2) (Levy/Excess/Bonds), 52.26.220 Benefit Charges), and 84.52.044 (Limits)
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value $0.50/$1,000 Assessed Value $0.50/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Senior/Junior
Affecting Levy Limits:	Levy Limit Statutory Rate Certified Levy Amount $5.90 1%
Excess Levies Authorized:	General and Bond
Governing Body:	As determined by the voted plan, consisting of elected officials or the planning committee.
Purpose:	To improve emergency response, share responsibility for fire protection among government entities, gain efficiencies in regional fire protection service delivery, and address critical fire protection projects and emergency services.
Notes:	Two or more fire protection jurisdictions, within a reasonable proximity of each other, may join together to form a regional authority. To impose a levy or benefit charges under chapter 52.26 RCW, the regional authority must develop a service authority plan a majority of voters approves. If a benefit charge is made, the district cannot levy under RCW 52.26.140(1)(c). Districts participating in a regional fire service protection district (cities, towns, port, fire districts, and Indian tribes), must reduce their statutory maximum levy rate by the rate levied by the regional fire service protection district (RCW 84.52.044) As of 2017 legislation (84.52.125), Regional Fire Authorities may impose up to $0.25/$1,000 AV outside of the $5.90 limit if that amount would be prorated under RCW 84.52.010(3)(b)(vi). If protected from the $5.90 proration, the amount is subject to early prorationing under the constitutional 1 percent limitation. The highest lawful levy will include the third $.50 levy, even if the district levies a benefit charge. 2018 – Removed reference to “adjacent” to “located within reasonable proximity” when creating a RFA or annexing territory.

3.1.1 Non-voted Regular Levies

	Horticultural District
RCW:	15.08.260, 15.08.270, and 15.09.131
Maximum Statutory Levy Rate:	No $ limit/$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	Within County Levy Limits
Excess Levies Authorized:	None
Governing Body:	County Legislative Authority
Purpose:	To provide additional funds to meet the expense of inspecting and disinfecting nursery stock, fruits, vegetables, horticultural or agricultural products, and horticultural premises.
Notes:	Levy comes out of county levy.

	County Hospital District
RCW:	36.62.090
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Senior/Junior
Affecting Levy Limits:	Levy Limit Statutory Rate Certified Levy Amount $5.90 1% Within County Statutory Rate Levy Limit
Excess Levies Authorized:	None
Governing Body:	County Legislative Authority
Purpose:	To establish, provide, and maintain hospitals for the care and treatment of the indigent, sick, injured, or infirm.
Notes:	None

3.1.1 Non-voted Regular Levies

Public Hospital District

RCW:	70.44.060 (Regular), 84.52.052 (Excess)
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value +$0.25/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Senior/Junior
Affecting Levy Limits:	Levy Limit — Statutory Rate — Certified Levy Amount $5.90 — 1%
Excess Levies Authorized:	General and Bond
Governing Body:	Three-member commission (can be increased to five or seven) with staggered, 6-year terms, elected from designated districts or at large.
Purpose:	To own and operate hospitals and other health care facilities and provide hospital services and other health care facilities for the residents of such districts and other persons.
Notes:	For the Levy Limit calculation, consider the $.50 and $.25 as one $.75 regular levy. The $.50 and $.25 have different priorities in the pecking order for the $5.90 and 1 percent limits. For more information, please see the pecking order in either the Taxing Districts or Levy Limitations section. Ch. 76, Laws of 2001 changed budget dates for hospital districts, allowing public hearings to be held on or before November 15. However, RCW 84.52.020 still requires a taxing district to file its budget with the county legislative authority by November 30.

3.1.1 Non-voted Regular Levies

Land Conservation Futures Levy District	
RCW:	84.34.230
Maximum Statutory Levy Rate:	$0.0625/$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	Levy Limit 1% Certified Levy Amount
Excess Levies Authorized:	None
Governing Body:	Board of County Commissioners
Purpose:	To acquire open space land or rights to future development.
Notes:	This levy is in addition to that authorized by RCW 84.52.043. It is in addition to the county general levy of $1.80, and is not subject to the $5.90 aggregate limit.

Library District (County Rural)	
RCW:	27.12.050 (Regular), 27.12.222 (Bond Excess), and 84.52.052 (General Excess)
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Senior/Junior
Affecting Levy Limits:	Levy Limit Statutory Rate Certified Levy Amount $5.90 1%
Excess Levies Authorized:	General and Bond
Governing Body:	The county legislative authority appoints a five-member board of trustees for staggered, five-year terms. (RCW 27.12.190)
Purpose:	To establish and maintain free public libraries.
Notes:	Bond term limit extended to 20 years.

3.1.1 Non-voted Regular Levies

	Library District (Intercounty Rural)
RCW:	27.12.150 (Regular), 27.12.222 (Bond Excess), and 84.52.052 (General Excess)
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Senior/Junior
Affecting Levy Limits:	Levy Limit $5.90 Statutory Rate 1% Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	County legislative authorities jointly appoint five or seven trustees to staggered, five or seven year terms. (RCW 27.12.130)
Purpose:	To establish and maintain free public libraries.
Notes:	The district determines the levy rate and certifies the rate to the county legislative authority (RCW 27.12.150). When calculating the increase in levy capacity due to state assessed utility value, be sure to compare the current year's total state assessed utility value of the district to the prior year's total state assessed utility value of the district to determine if there is an increase in assessment. Do not compare the state assessed utility value per county, and then sum the individual differences for an increase or decrease in utility value for the district. Bond term limit extended to 20 years.

3.1.1 Non-voted Regular Levies

	Library District (Island)
RCW:	27.12.420 (Regular), 27.12.222 (Bond Excess), and 84.52.052 (General Excess)
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Senior/Junior
Affecting Levy Limits:	Levy Limit $5.90 Statutory Rate 1% Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	Board of trustees appointed by the county legislative authority. (RCW 27.12.420)
Purpose:	To establish and maintain free public libraries.
Notes:	The district determines the levy rate and certifies the rate to the county legislative authority (RCW 27.12.420) Bond term limit extended to 20 years.

	Library District (Rural)
RCW:	84.52.063
Maximum Statutory Levy Rate:	$0.50/$1,000 Equalized Market Value
Type of Levy:	Regular
Type of District:	Senior/Junior
Affecting Levy Limits:	Levy Limit $5.90 Statutory Rate 1% Certified Levy Amount
Excess Levies Authorized:	None
Governing Body:	See County or Intercounty Rural
Purpose:	To establish and maintain free public libraries.
Notes:	None

3.1.1 Non-voted Regular Levies

Metropolitan Park District

RCW:	35.61.210 (Regular), 84.52.052 (Excess), 84.52.056 (Bond)
Maximum Statutory Levy Rate:	$0.75/$1,000 Assessed Value unless stated otherwise in the ballot title
Type of Levy:	Regular
Type of District:	Senior/Junior
Affecting Levy Limits:	Levy Limit Statutory Rate Certified Levy Amount $5.90 1%
Excess Levies Authorized:	General and Bond
Governing Body:	Five elected commissioners with six-year, staggered terms.
Purpose:	To manage, control, improve, maintain, and acquire parks, parkways, boulevards, and recreational facilities.
Notes:	RCW 35.61.010 expanded where and how metropolitan park districts may be created. It also drew a distinction between districts created before or after Jan 1, 2002, for purposes of prorationing under the $5.90 and 1% limitations. 2011 Legislative Note – For tax years 2012-2017 any metropolitan park district with a population greater than 150,000 may protect up to $0.25 of their levy outside of the $5.90 limitation with voter approval. The protected levy rate is subject to prorationing at different levels within the constitutional one percent limitation depending on the population of the metropolitan park district and population of the county in which the district is located(RCW84.52.120). 2017 Legislative Note – The voters can limit the purpose of the metropolitan park district or set the maximum levy at something less than $0.75 per $1,000 assessed value at the time of forming the district. 2019 Legislative Note – SHB 2044 creates a method for a city, town, or county to withdraw land from a metropolitan park district or park and recreation district.

3.1.1 Non-voted Regular Levies

River Improvement Assessment
(Flood Control Zone District)

RCW:	86.15.160 (Regular), 84.52.052 (Excess)
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Junior
Affecting Levy Limits:	Levy Limit $5.90 Statutory Rate 1% Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	County Commissioners (RCW 86.15.050)
Purpose:	To undertake, operate, and maintain flood control projects of special benefit to specific areas of the county. To protect life and property from floodwater damage. Abatement of nuisances.
Notes:	The regular levy is subject to an early proration, thus it will not take dollar rates away from other districts. The regular levy may also be levied, if dollar rates of other taxing units are released. Flood control zones in a county with a population of 775,000 or more and whose boundaries are coextensive with the county may protect up to $0.25 of their levy outside of the $5.90 levy limitation. The protected rate is subject to early prorationing or elimination due to the constitutional one percent limit. As of January 1, 2018, a flood control zone within the Chehalis River Basin, that is coextensive with a county, may protect up to $0.25 of their levy outside of the $5.90 limitation (RCW 84.52.816).

3.1.1 Non-voted Regular Levies

	State Levy District
RCW:	84.52.043 and 84.52.065 (Regular) , 84.48.080 (Recomputation), 84.48.110 (5th preceding year), 84.52.067 (Disposition of Funds), and 84.48.120 (Extension of state taxes)
Maximum Statutory Levy Rate:	$3.60/$1,000 Equalized Market Value $2.70/$1,000 Equalized Market Value (collection years 2018, 2020 and 2021) $2.40 /$1,000 Equalized Market Value (collection year 2019 only)
Type of Levy:	Regular
Type of District:	Senior
Affecting Levy Limits:	Levy Limit (except for collection years 2019 through 2021 for part 1 of the levy and except for collection years 2018 through 2021 for part 2 of the levy) Statutory Rate 1%
Excess Levies Authorized:	Upon Court Order
Governing Body:	State Legislature
Purpose:	To educate all children without distinction or preference on account of race, color, caste, or sex.
Notes:	The Department of Revenue is responsible for levying the state property tax for the support of the common schools. Because of different assessment practices in the various counties, the assessed value of property in a county may not equal 100 percent of the true and fair value of the property. To provide a uniform base upon which to impose the state property tax, the Department of Revenue equalizes the assessed values of the various counties to true and fair value. The Legislature added a second part to the levy for the 2018 collection year and thereafter. The aggregate levy rate for both parts of the levy is $2.70 per thousand dollars market value for collection years 2018, 2020 and 2021. It reduced the 2019 aggregate levy rate by $0.30 to $2.40 per thousand dollars market value for the 2019 tax year only. The 2018 levy rates are fixed and are used in the 2020 and 2021 collection years. The 2018 levy rate for part 1 is fixed for the 2019 tax year, part 2 is the different between this rate and $2.40. Part 1 of the levy is subject to the levy growth limit in chapter 84.55 RCW for the 2018 collection year, but is not subject to this limit for the 2019, 2020, and 2021 collection years. Part 2 of the levy is not subject to the levy growth limit in chapter 84.55 RCW for collection years 2018 through 2021, but is subject to this limit for the 2022 and thereafter.

3.1.1 Non-voted Regular Levies

	Port District
RCW:	53.36.020, 53.36.100, 53.36.070, 53.47.040 , 53.36.160
Maximum Statutory Levy Rate:	$0.45/$1,000 Assessed Value $0.45/$1,000 Assessed Value $0.45/$1,000 Assessed Value $0.45/$1,000 Assessed Value $0.45/$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	Levy Limit Certified Levy Amount
Excess Levies Authorized:	Bond (RCW 53.36.030)
Governing Body:	Three or five member port commission with commissioner districts, except in King County where it elects commissioners at large. (RCW 53.12.010)
Purpose:	To construct, acquire, and maintain harbor improvements, rail, or motor vehicle transfer and terminal facilities, water transfer and terminal facilities, air transfer or terminal facilities, other storage and handling facilities. To acquire and construct toll bridges, tunnels, and belt line railways. To create industrial development districts and serve as their governing body.
Notes:	The $0.45 maximum levy rate in RCW 53.36.020 can be exceeded when the levy is for the payment of principal and interest of general bonded indebtedness. Ports participating in a regional fire service protection district must reduce their statutory maximum levy rate by the rate levied by the regional fire service protection district (RCW 84.52.044) RCW 53.35.045 authorizes port districts to certify their levy request to the county legislative authority on the 1st Monday in December & set dates for other budget processes.

3.1.2 Voted Regular Levies

	Affordable Housing
RCW:	84.52.105 (Regular)
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value
Type of Levy:	Regular, Voted
Affecting Levy Limits:	Levy Limit 1% Statutory Rate Ballot Certified Levy Amount
Excess Levies Authorized:	None
Governing Body:	Various
Purpose:	A county, city, or town may impose this levy for each year up to 10 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.
Notes:	Voter authorization is required and the length of the levy is up to 10 years. If both a county and a city or town within the county impose this levy, it must reduce the levy of the last jurisdiction to receive voter approval so the combined total does not exceed $.50/$1,000 assessed value.

	Airport District
RCW:	14.08.290
Maximum Statutory Levy Rate:	$0.75/$1,000 Assessed Value
Type of Levy:	Regular, Voted
Affecting Levy Limits:	Levy Limits $5.90 Statutory Rate 1% Certified Levy Amount Ballot
Excess Levies Authorized:	None
Governing Body:	The board of county commissioners or upon petition an elected three-member board of airport district commissioners. Two-year, non-staggered terms (RCW 14.08.300).
Purpose:	To establish and operate airports or other navigational facilities.
Notes:	Voter authorization is required.

3.1.2 Voted Regular Levies

City Transportation Authority Area

RCW:	35.95A.100 (Regular) and 84.52.052 (Excess)
Maximum Statutory Levy Rate:	$1.50/$1,000 Assessed Value
Type of Levy:	Regular, voted
Affecting Levy Limits:	Levy Limit (Not applicable to first levy imposed) 1% $5.90 Certified Levy Amount Statutory Rate Ballot
Excess Levies Authorized:	General and Bond
Governing Body:	City Transportation Authority
Purpose:	To pay all or any part of the cost of acquiring, designing, constructing, equipping, maintaining, or operating public monorail transportation facilities or contracting for the services thereof, or to pay or secure the payment of all or part of the principal of or interest on any general obligation bonds or revenue bonds issued for authority purposes.
Notes:	Voter authorization is required. Duration of the regular levy to be imposed may be limited as specified in the ballot proposition or may be unlimited.

Criminal Justice

RCW:	84.52.135
Maximum Statutory Levy Rate:	$.50/$1,000 Assessed Value
Type of Levy:	Regular, voted
Affecting Levy Limits:	Levy Limit (Not applicable to first levy imposed) Statutory Rate Certified Levy Amount 1% Ballot
Excess Levies Authorized:	None
Governing Body:	County Legislative Authority
Purpose:	To provide additional funding for criminal justice purposes only.
Notes:	Three-fifths majority required. Minimum favorable vote of three-fifths of number of voters voting in last general election. Up to six consecutive years in term. County population must be 90,000 or less.

3.1.2 Voted Regular Levies

Cultural Arts, Stadium and Convention District

RCW:	67.38.130 (Regular), 67.38.110, and 84.52.052 (Excess)
Maximum Statutory Levy Rate:	$0.25/$1,000 Assessed Value
Type of Levy:	Regular, Voted
Affecting Levy Limits:	Levy Limit Statutory Rate Certified Levy Amount $5.90 1% Ballot
Excess Levies Authorized:	General and Bond
Governing Body:	Governing body is appointed by County Legislative Authority.
Purpose:	To create or renovate and operate cultural arts, stadium, and convention facilities in hopes of benefiting all the citizens of this state and enhance the tourism industry's ability to attract new visitors.
Notes:	Voter authorization required every six years for regular levy.

Cultural Access Program

RCW:	RCW 84.52.821
Maximum Statutory Levy Rate:	None
Type of Levy:	Regular, voted (up to a seven year consecutive period)
Affecting Levy Limits:	Levy Limit (Not applicable to first levy imposed) Certified Levy Amount 1% $5.90
Excess Levies Authorized:	None
Governing Body:	County Legislative Authority or City Council
Purpose:	Provide local government a fiscal tool to provide access to cultural programs.
Notes:	Majority voter approval required in a special or general. Minimum favorable vote of three-fifths of number of voters voting in last general election. A county with a population of 1.5 million or more may not impose this tax.

3.1.2 Voted Regular Levies

Emergency Medical Service District (EMS)

RCW:	84.52.069 (Regular)
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value
Type of Levy:	Regular, Voted
Affecting Levy Limits:	Levy Limit (Does not apply to first levy imposed) 1% Statutory Rate Certified Levy Amount Ballot
Excess Levies Authorized:	General
Governing Body:	Various
Purpose:	To provide emergency medical services. It is not necessary to form an emergency medical service district in order to provide this type of service. Any county, city or town, public hospital district, fire district or regional fire protection service authority is considered a "taxing district" with authority to levy the property tax levy for this purpose. An EMS district may include both incorporated and unincorporated areas within a county (RCW 36.32.480). **Notes:** Super majority voter authorization is required for initial levies. Continued six or 10 year EMS levies require a simple majority vote. Term length for levy is six years, 10 years, or permanent. Upon voter approval an EMS district with a population density of less than 1,000 per square mile may levy an excess levy (RCW 84.52.052). The boundary of a county with a population of 1.5 million or more does not include the area located within a city that has boundaries in two counties for EMS levy purposes. The local assessed value of all property in the area of the city within the county with a population greater 1.5 million must be less than $250 million.

3.1.2 Voted Regular Levies

Park and Recreation District

RCW:	36.69.140 and 84.52.052 (Excess), 36.69.145 (Regular)		
Maximum Statutory Levy Rate:	$0.60/$1,000 Assessed Value		
Type of Levy:	Regular, Voted		
Affecting Levy Limits:	Levy Limit $5.90*	Statutory Rate 1%	Certified Levy Amount Ballot
Excess Levies Authorized:	General and Bond		
Governing Body:	Board of Park Commissioners. Five commissioners elected from designated districts for staggered, four-year terms.		
Purpose:	To provide leisure time activities and recreational facilities of a nonprofit nature as a public service to residents of the district.		
Notes:	Voter authorization required every six years and is subject to early proration. RCW 29A.36.210 contains the ballot title requirements. ***Park and rec. districts on an island, located in King County are not subject to the $5.90 limit for tax years 2022-2026.		

Park and Recreation Service Area District

RCW:	36.68.520 (Excess), 36.68.525 (Regular)		
Maximum Statutory Levy Rate:	$0.60/$1,000 Assessed Value		
Type of Levy:	Regular, Voted		
Type of District:	Junior		
Affecting Levy Limits:	Levy Limit $5.90	Statutory Rate 1%	Certified Levy Amount Ballot
Excess Levies Authorized:	General and Bond		
Governing Body:	County Legislative Authority		
Purpose:	To finance the acquisition, construction, improvement, and maintenance of park and recreational facilities the county owns and other county parks administer.		
Notes:	Voter authorization required every six years.		

3.1.2 Voted Regular Levies

Regional Transit Authority

RCW:	81.104.175
Maximum Statutory Levy Rate:	$0.25/$1,000 Assessed Value
Type of Levy:	Regular, Voted
Affecting Levy Limits:	Levy Limit Certified Levy Amount 1% Ballot Statutory Rate
Excess Levies Authorized:	None
Governing Body:	Members of the legislative authority (county or city) proposing the district serve on the board.
Purpose:	Provide high capacity transportation service.
Notes:	The regional transit authority levying this tax must include a county with a population of 1.5 million or more. Simple majority of the voters must approve this levy. A regional transit authority district can assess only parcels wholly located the district for property taxes it imposes.

3.2 Excess Levies

Excess levies are those that impose property taxes over and above the regular property tax levies described previously. They are in "excess" of the many limits we put on regular levies. Excess levies require not only voter approval; but many also require a 60 percent "super" majority for approval. The following statutes are relevant to most excess levies, but each type of excess levy also has other important statutes that you must consider. Those references are included in the following summaries.

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 therefore 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."

***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**]*

3.2 Types of Excess Levies

Air Pollution Control District

RCW:	70.94.091
Maximum Statutory Levy Rate:	$0.25/$1,000 Assessed Value
Type of Levy:	Excess
Type of District:	Junior
Affecting Levy Limits:	Ballot Certified Levy Amount
Excess Levies Authorized:	General
Governing Body:	Board of Directors composed of two county commissioners designated by the county legislative authority and two members appointed by the mayors of all the cities and towns in the county. Those designated select agree upon a fifth member. Multi-county boards have more members (RCW 70.94.100).
Purpose:	To provide for a coordinate statewide program of air pollution prevention and control.
Notes:	Voter authorization is required.

Library Capital Facility Area

RCW:	27.15.020
Maximum Statutory Levy Rate:	No rate limit
Type of Levy:	Excess
Type of District:	Junior
Affecting Levy Limits:	Ballot Certified Levy Amount
Excess Levies Authorized:	Bond
Governing Body:	Three members of the county legislative authority from each county in which the library capital facility area is located (RCW 27.15.030).
Purpose:	Financing and construction of capital library facilities.
Notes:	The voters can approve the creation of the district and funding in a single ballot measure during a general or special election.

Medic One

Please see Emergency Medical Service District Levy

3.2 Types of Excess Levies

Mosquito Control District	
RCW:	17.28.100 (Time of Formation), 17.28.252 (General Excess Levy), 17.28.260 (Bond Excess Levy)
Maximum Statutory Levy Rate:	$0.50/$1,000 Assessed Value (General Excess Levy) $0.25/$1,000 Assessed Value (One year levy at time of formation)
Type of Levy:	Excess
Type of District:	Junior
Affecting Levy Limits:	Ballot Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	Board of trustees. Members serve two-year overlapping terms. (RCW 17.28.110, 17.28.130)
Purpose:	To control mosquitoes.
Notes:	Boundaries established as of September 1 are used to levy taxes for collection in the following year (RCW 84.09.030).

Public Facilities District	
RCW:	36.100.050, 84.52.052 (Excess)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Excess
Type of District:	Junior
Affecting Levy Limits:	Ballot Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	Board of Directors. The board consists of five to seven members as provided in RCW 36.100.020.
Purpose:	To acquire, construct, own, maintain, and operate sports, entertainment, and convention facilities.
Notes:	None.

3.2 Types of Excess Levies

Rail District (County)	
RCW:	36.60.040
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Excess
Type of District:	Junior
Affecting Levy Limits:	Ballot Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	County Legislative Authority
Purpose:	Used for operating or capital purposes involved with the implementation or maintenance of a freight or passenger rail system.
Notes:	None.

Road and Bridge Service District	
RCW:	36.83.030 and 36.83.040
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Excess
Type of District:	Junior
Affecting Levy Limits:	Ballot Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	County Legislative Authority
Purpose:	For providing and funding capital and maintenance costs for any bridge or road improvement or for providing and funding capital costs for any state highway improvement a county or a road district has the authority to provide.
Notes:	Voter authorization required. Levy length is one year for general excess levy.

3.2 Types of Excess Levies

School District Levies (Excess)

RCW:	84.52.053 and 84.52.0531 (Excess)
Maximum Statutory Levy Rate:	$2.50/$1,000 Assessed Value Enrichment levy only No $ Limit/$1,000 Assessed Value for other levies
Type of Levy:	Excess
Affecting Levy Limits:	Statutory rate, Per-pupil rate, and Certified levy amount , for enrichment levies. All other levies Certified levy amount.
Excess Levies Authorized:	Enrichment, Bond, Transportation, Construction, and Capital Project/Technology
Governing Body:	School Board
Purpose:	To educate all children without distinction or preference on account of race, color, caste, or sex.
Notes:	The excess levy in 84.52.053 can be one of the following: ☞ A two- to four-year enrichment levy. Limited to the lesser of the voter approved amount, $2,500 per student in districts with a student enrollment less than 40,000 (adjusted annually by inflation), $3,000 per student in districts with student enrollment of 40,000 or more (adjusted annually by inflation), or $2.50 per $1,000 assessed value. The statutory maximum rate limit and per-pupil limit will be reduced when the State Auditor finds a district is out of compliance with RCW 28A.150.276 and has not resolved the issue within one year of their original finding. ☞ A two- to six-year levy authorizing the construction, modernization, or remodeling of school facilities. ☞ An up to six-year technology capital project levy. Voter authorization is required for the excess levies. A district may have more than one enrichment (general) levy at one time if the district's levy base or maximum levy percentage increases after the initial levy. Chapter 28A.315 RCW – Addresses how levies for paying the bonded indebtedness, extending any pre-existing excess levy, and authorizes replacement or supplemental levies, upon voter approval is handled when a school district is found insolvent.

3.2 Types of Excess Levies

Sewer District

See Water-Sewer District

Solid Waste Disposal District

RCW:	36.58.150 and 84.52.052
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Excess
Type of District:	Junior
Affecting Levy Limits:	Ballot Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	County Legislative Authority (RCW 36.58.100)
Purpose:	For funding solid waste disposal.
Notes:	None.

Transportation Benefit District

RCW:	36.73.060 and 84.52.052
Maximum Statutory Levy Rate:	No $ Limit / $1,000 Assessed Value
Type of Levy:	Excess
Type of District:	Junior
Affecting Levy Limits:	Ballot Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	County or City Legislative Authority
Purpose:	To help address transportation needs.
Notes:	One year limitation on levy.

3.2 Types of Excess Levies

	Water – Sewer District
RCW:	57.04.030 and 57.04.050 (Excess at time of formation), 57.20.105 and 57.20.019 (LID Bonds), 84.52.052 (Excess)
Maximum Statutory Levy Rate:	$1.25/$1,000 Assessed Value (Excess at time of formation)
Type of Levy:	Excess
Type of District:	Junior
Affecting Levy Limits:	Ballot Certified Levy Amount
Excess Levies Authorized:	General and Bond
Governing Body:	Three, five, or seven commissioners elected at large by position for 6-year, staggered terms (RCW 57.12.030).
Purpose:	To furnish an ample supply of water for all uses, purchase and maintain fire-fighting equipment, operate sewer system, provide street lighting.
Notes:	Effective July 1, 1997, water and sewer districts were reclassified and became water-sewer districts. Until that time, water districts were allowed a $.50 levy if the water district maintained a fire department. The Laws of 1996 c230 § 1703 repealed that provision. Water-sewer districts have no authority to have a regular levy.

3.3 Benefit Assessment Districts

Benefit assessments, or special assessments, are not property taxes as defined and described previously. They are special charges created to recover monies to pay for services or improvements that have a particular, direct benefit to lands and their owners. Rather than basing the charge on assessed value like property taxes, an assessment plan meant to charge amounts to a parcel of property that reflects the actual benefit that property will receive determines benefit assessments. These assessments are usually based on a flat-fee per parcel, an amount per acre, or a combination of characteristics like these; rarely are they based on assessed value. Properties can be charged in different amounts if the district authorities find different classes of property benefit in different ways.

These assessments are spread across the tax rolls and collected much like regular and excess levy amounts. They usually appear on the property tax statement and are confused with property taxes. They are not subject to the same limits and procedures that control property tax levies. A unique combination of statutes authorizes each assessment which you should review carefully. Each type of special district may have a unique process for creating the assessment plan, for appealing the amount of an assessment, or for interacting with government-owned properties.

3.3 Benefit Assessment Districts

	Conservation District
RCW:	89.08.400 or 89.08.405
Maximum Statutory Levy Rate/Charge:	$0.10 per acre maximum. $5 maximum per parcel in counties with a population less than 1.5 million or $10 maximum per parcel in counties with a population 1.5 million or greater. Alternative rates and charges: $0.10 per acre and or $5 per parcel in counties with a population of 480,000 or less, $10 per parcel in counties with a population greater than 480,000, $15 per parcel in counties with a population greater than 1.5 million.
Type of Levy:	Benefit
Affecting Levy Limits:	Statutory Rates
Excess Levies Authorized:	None
Governing Body:	County Legislative Authority has final approval of special assessments.
Purpose:	Activities and programs to conserve natural resources.
Notes:	Special assessments may be imposed for a period or periods each not to exceed 10 years in duration. Special provisions apply to forest land. See RCW 89.08.400. The 2004 Legislature raised the maximum flat rate per parcel charge from $5 to $10 in counties with population greater than 1.5 million. In 2015 Legislature, the maximum flat rate per parcel charge adjusted into three levels based on the county's population.

3.3 Benefit Assessment Districts

Community Facility District

RCW:	RCW 36.145 (Benefit Assessment)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Benefit
Affecting Levy Limits:	Petition
Excess Levies Authorized:	None
Governing Body:	The legislative authority appoints a board of supervisors for a 3 year term or until it appoints a successor.
Purpose:	To provide financing for community facilities and local, sub regional, and regional infrastructure.
Notes:	One hundred percent of all property owners must approve the petition to create the district. Assessment can be based on any method or combination of methods in chapter 35.44 RCW. 2019 Legislation (HB 1366) changed the term of the special assessment to the lesser or 35 years or the full-term of any bonds issued by or on behalf of the district to which the assessments or other revenue of the district is specifically dedicated.

Diking District

RCW:	85.05.090 (Benefit Assessment)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Benefit
Type of District:	Junior
Affecting Levy Limits:	Ballot
Excess Levies Authorized:	None
Governing Body:	Three commissioners elected for six-year, staggered terms (RCW 85.05.085 and 85.38.070).
Purpose:	To straighten, widen, deepen, and improve all rivers, watercourse, or stream which cause overflow damage to the land within the district and to construct and maintain the necessary diking or drainage system to protect the land from overflow.
Notes:	Assessment based on benefit.

3.3 Benefit Assessment Districts

Diking and Drainage District (Intercounty)

RCW:	85.24.250 (City may contribute from within their regular levy.)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Junior
Affecting Levy Limits:	Ballot *Within City Levy Limit (RCW 85.24.250)
Excess Levies Authorized:	None
Governing Body:	Three commissioners elected for two-year, non-staggered terms (RCW 85.24.070 and 85.38.070).
Purpose:	To establish diking and drainage systems or erect flood dams to prevent inundations on land located in two or more counties.
Notes:	RCW 85.24.210, Maintenance Levy, was repealed 1991 c 349 § 18.

Diking and Drainage Improvement District (Sewerage)

RCW:	85.08.230 (Preliminary Expenses), 85.08.530 (County, City, or Town)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	Junior
Affecting Levy Limits:	Ballot
Excess Levies Authorized:	None
Governing Body:	A board of supervisors handles day-to-day affairs. The board consists of two elected landowners within the district plus the county engineer. Those elected serve four-year, staggered terms.
Purpose:	To construct and maintain improvements for drainage, sewerage, and protection from river overflows.
Notes:	RCW 85.08.230 levy is based on benefit.

3.3 Benefit Assessment Districts

Drainage District

RCW:	85.06.090
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Benefit
Type of District:	Junior
Affecting Levy Limits:	Ballot
Excess Levies Authorized:	None
Governing Body:	Three elected commissioners (RCW 85.06.080).
Purpose:	To establish a drainage system.
Notes:	Assessment based on benefit.

Fire Protection District

Please see Fire Protection District under Regular Levies and Local Improvement Districts and Benefit Charges.

Regional Fire Protection Service Authorities

Please see Regional Fire Protection Service Authorities under Regular Levies and Benefit Charges.

Flood Control District (Intercounty)

RCW:	86.13.010 and 86.13.030
Maximum Statutory Levy Rate:	$0.25/$1,000 Assessed Value
Type of Levy:	Regular
Type of District:	
Affecting Levy Limits:	Within County Levy Limits
Excess Levies Authorized:	None
Governing Body:	Each county's Board of Commissioners (RCW 86.13.030).
Purpose:	The fund is used to help the counties control flooding on a river that is or shall be the boundary line between two counties or its tributaries or outlet flows through parts of two counties and has a history of flooding.
Notes:	None.

Flood Control Zone

Please see River Improvement Assessment.

3.3 Benefit Assessment Districts

Forest Fire Protection Assessment & Landowner Contingency Forest Fire Suppression Assessment

RCW:	76.04.610 and 76.04.630
Maximum Statutory Levy Rate:	A flat fee assessment of $17.50 and $0.27 on each acre exceeding 50 acres for forest fire protection assessment (FFPA). The landowner contingency forest fire suppression assessment cannot exceed $7.50 per parcel plus an additional maximum per acre assessment of $0.15 per acre on 50 or more acre parcels.
Type of Levy:	Benefit
Affecting Levy Limits:	None
Excess Levies Authorized:	None
Governing Body:	Department of Natural Resources (DNR)
Purpose:	Fire protection.
Notes:	Land owner contingency assessment is established by DNR and may differ between parcels based on emergency fire suppression cost. FFPA - Minimum assessment is $17.50 to cover costs. Covers unimproved land only. It is possible for taxpayers to pay both fire protection and fire district assessments. Property owners with multiple parcels may apply to the DNR to have the assessments billed on a single parcel.

Horticultural Assessment District

RCW:	15.09.131 and 15.09.135
Maximum Statutory Levy Rate:	No $ limit/$1,000 Assessed Value
Affecting Levy Limits:	None
Governing Body:	County Legislative Authority
Purpose:	To fund the operating budget of a horticultural pest and disease board
Notes:	None.

3.3 Benefit Assessment Districts

Intercounty Weed District

RCW:	17.06.060
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Excess
Type of District:	Junior
Affecting Levy Limits:	Ballot
Excess Levies Authorized:	General and Bond
Governing Body:	No person shall be eligible to hold the office of director unless they are a qualified elector, resident, and landowner. Three directors elected by landowning-qualified voters at a special meeting of landowners called by the county legislative authority, three-year terms.
Purpose:	To control, prevent, and exterminate weeds found detrimental to crops, fruit, trees, shrubs, foliage, or other agricultural plants or produce (RCW 17.04.010).
Notes:	None.

3.3 Benefit Assessment Districts

Irrigation District

RCW:	87.84.070
Maximum Statutory Levy Rate:	$0.25/$1,000 Assessed Value
Type of Levy:	Benefit
Type of District:	Junior
Affecting Levy Limits:	Ballot
Excess Levies Authorized:	None
Governing Body:	Three, five, or seven district directors (enlarged or decreased by vote of qualified electors). Three-year, staggered terms (RCW 87.03.075 and 87.03.080).
Purpose:	To operate and maintain an irrigation system; purchase and sell electric power for irrigation and domestic use; build dams, canals, ditches, etc.; to provide domestic water, install fire hydrants, and to construct, operate, and maintain sanitary sewage collection and disposal system, including treatment plants. In addition, an irrigation and rehabilitation district may further the recreational potential of the area by improving lakes and shorelines and modifying control structures (RCW 87.03.015 and 87.84.050).
Notes:	Districts can only tax land that benefits from the irrigation. Irrigation districts are no longer included in the definition of "local government" (RCW 84.34.310). Irrigation districts can impose certain types of special benefit assessments on classified farm and agricultural land and timber land.

3.3 Benefit Assessment Districts

Metropolitan Municipal Corporation District

RCW:	35.58.090 (Regular at time of Formation), 35.58.116 (General Excess), 35.58.450 (Bond Excess)		
Maximum Statutory Levy Rate:	$0.25/$1,000 Assessed Value		
Type of Levy:	Regular		
Affecting Levy Limits:	Levy Limit	District Budget	Ballot
	$5.90	1%	
Excess Levies Authorized:	General and Bond		
Governing Body:	Metropolitan Council (RCW 35.58.120)		
Purpose:	To enable cities and counties to act jointly to meet common problems in order that the proper growth and development of the metropolitan areas of the state may be assured and the health and welfare of the people residing there may feel secured.		
Notes:	For the GO bond excess levy, the amount is 5 percent of the value of the district. Regular tax levy is limited to one year from the time of formation.		

Pest Control District

RCW:	17.12.050 and 17.12.080
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Benefit
Type of District:	Junior
Affecting Levy Limits:	None
Excess Levies Authorized:	None
Governing Body:	County Board of Commissioners (RCW 17.12.060)
Purpose:	To control pests (RCW 17.12.010).
Notes:	None.

3.3 Benefit Assessment Districts

	Reclamation District		
RCW:	89.30.391 through 89.30.397		
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value		
Type of Levy:	Regular		
Type of District:	Junior		
Affecting Levy Limits:	Levy Limit	District Budget	Ballot
	$5.90	1%	
Excess Levies Authorized:	None		
Governing Body:	Board of directors composed of a number of qualified resident electors of the district, equal to the number of director districts in the reclamation district (RCW 89.30.226 and 89.30.229).		
Purpose:	See RCW 89.30.007.		
Notes:	Voter authorization required.		

River And Harbor Improvement District	
RCW:	88.32.040 (Benefit Assessment), 88.32.140 (LID Bonds)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Benefit
Type of District:	Junior
Affecting Levy Limits:	Ballot
Excess Levies Authorized:	None
Governing Body:	County legislative authority requests the judge of U.S. district court to name 11 reputable citizens and freeholders. These persons, or a majority of them, are to act as the river and harbor improvement for the county.
Purpose:	To plan and fund river, lake, canal, or harbor improvements.
Notes:	None.

3.3 Benefit Assessment Districts

Road Improvement District

RCW:	36.88.080 and 36.88.360 (Benefit Assessments), 36.88.190 and 36.88.260 (Local Improvement District)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Benefit
Type of District:	Junior
Affecting Levy Limits:	Ballot
Excess Levies Authorized:	None
Governing Body:	County Legislative Authority
Purpose:	To acquire right of way and improve county roads including necessary drainage facilities, bridges, culverts, sidewalks, curbs and gutters, escalators or moving sidewalks. In addition to constructing, operating, and maintaining street road lighting systems, safeguards to protect the public from open canals, flumes, and ditches.
Notes:	None.

Weed District

RCW:	17.04.240
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Type of Levy:	Benefit
Affecting Levy Limits:	District Budget
Excess Levies Authorized:	None
Governing Body:	No person shall be eligible to hold the office of director unless they are a qualified elector, resident, and landowner. Landowning-qualified voters elect three directors at a special meeting of landowners the county legislative authority calls for. Directors have three-year terms.
Purpose:	To control, prevent, and exterminate weeds found detrimental to crops, fruit, trees, shrubs, foliage, or other agricultural plants or produce (RCW 17.04.010).
Notes:	SHB 1355 authorizes the county legislative authority to determine the amount of weed assessment or tax on state owned land.

3.4 Earmarked Funds

Earmarked funds are generally levies created for very specific purposes or services. They may be from within a district's regular levy like the City Accident Fund, or they may be a small, stand-alone levy for raising money to buy conservation property. In general, a district will devote the funds raised to the specific purpose to which it dedicated the funds for, not for the day-to-day operation of districts.

3.4.1 From another district levy

City Accident Fund District

RCW:	35.31.050 and 35.31.060 or 35A.31.060 and 35A.31.070 (For Code City)
Maximum Statutory Levy Rate:	$0.75/$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	Within City Levy Limits
Excess Levies Authorized:	None
Governing Body:	City or Town Council
Purpose:	To pay for any judgment, including interest and costs against city or town, on account of personal injuries suffered by any person as shown by transcript of the judgment duly certified by the clerk.
Notes:	Any surplus in the accident fund will be transferred to the current expense fund.

City Emergency District

RCW:	35.32A.060
Maximum Statutory Levy Rate:	$0.375/$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	Within City Levy Limits
Excess Levies Authorized:	None
Governing Body:	City Council
Purpose:	To meet the expenses or obligations: (1) caused by fire, flood, explosion, storm, earthquake, riot, act of God, act of the public enemy, or any other such happening that could have not been anticipated; or (2) for the immediate preservation of order or public health or for the restoration of public property which has been destroyed by an accident; or (3) in settlement of approved claims for personal injuries or property damages, exclusive of claims arising from the operating of public utility owned by the city; or (4) to meet mandatory expenditures required by laws enacted since the last budget was adopted.
Notes:	Only cities having a population of over 300,000 may maintain an emergency fund.

3.4.1 From another district levy

City Fire Fighter's Pension Fund District

RCW:	41.16.060
Maximum Statutory Levy Rate:	$0.225/$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	In addition to City Levy Limits
Excess Levies Authorized:	None
Governing Body:	Fire Fighter's Pension Board
Purpose:	Used to meet the demands of the municipality for fire fighter's relief and pensions.
Notes:	This levy is in addition to a city's regular levy and cannot cause harm to another district's ability to levy. 2018 Legislation (SSB 5894) places restriction on how the city can use these funds.

County Lands Assessment Fund District

RCW:	36.33.120 and 36.33.140
Maximum Statutory Levy Rate:	$0.125/$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	Within County Levy Limits
Excess Levies Authorized:	None
Governing Body:	Board of County Commissioners
Purpose:	To pay in full or part any assessment or installment of assessments of drainage improvement districts, diking improvements, and/or road improvements.
Notes:	Levy comes out of county levy.

3.4.1 From another district levy

County Mental Health District

RCW:	71.20.110
Maximum Statutory Levy Rate:	No $ Limit /$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	Within County General Levy Limits
Excess Levies Authorized:	None
Governing Body:	County Governing Authority
Purpose:	To provide additional funds for the coordination and provision of community services for persons with developmental disabilities or mental health services.
Notes:	Comes out of county general levy. Also, all or part of the funds collected from the levy may be transferred to Department of Social & Health Services for the purpose of obtaining federal matching funds. The levy amount may be based on a flat rate of $0.025 per thousand dollars assessed value or the levy amount may be increased or reduced in the same proportion as compared to the prior year's certified county general levy. The earmarked fund rate may be more than or less than $0.025 per thousand dollars assessed value depending on the difference between the current year's and prior year's certified levy for the county general levy or may be less than $0.025 per thousand dollars assessed value if the county general levy is less than the certified request due to chapter 84.55 RCW.

Flood Control

(County River Improvement Fund District)

RCW:	86.12.010
Maximum Statutory Levy Rate:	$0.25/$1,000 Assessed Value
Type of Levy:	Budget
Affecting Levy Limits:	Within County Levy Limits
Excess Levies Authorized:	None
Governing Body:	County Commissioners (RCW 86.12.010)
Purpose:	The fund is used to help a county control flooding.
Notes:	Comes out of county's levy.

3.4.1 From another district levy

River Improvement Fund (County) District

See Flood Control, County (River Improvement) in the Benefit Assessment Districts Section.

Unclassified City (Sewer Fund) District

RCW:	35.30.020
Maximum Statutory Levy Rate:	$1.25/$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	Within City Levy Limits
Excess Levies Authorized:	None
Governing Body:	City council
Purpose:	To pay for the construction of sewers and to keep these sewers in good shape.
Notes:	Levy comes out of city levy.

Veterans' Relief Fund District (County)

RCW:	73.08.080
Maximum Statutory Levy Rate:	$0.27/$1,000 Assessed Value
Type of Levy:	Regular
Affecting Levy Limits:	Levy Limit $5.90 1% Must be within County General Levy Limits
Excess Levies Authorized:	None
Governing Body:	County Legislative Authority
Purpose:	To create an assistance fund for the relief of honorably discharged veterans and the indigent wives, husbands, widows, widowers, and minor children of such relief indigent or deceased veterans.
Notes:	Comes out of county general levy. Minimum rate $0.01125, although the county legislative authority may levy a lesser amount if there are sufficient funds residing in the veteran's assistance fund, aka Soldiers & Sailors. The Veterans' Assistance Levy may be increased or reduced in the same proportion as the regular county property tax levy, as approved by the county legislative authority.

3.5 Local Improvement District Levies

Local improvement district assessments are those that are set up for a specific length of time with an annual due date, a specified penalty interest rate, delinquent interest rate, and bond interest rate. For instance, these districts can be for the establishment of sewer improvement, water systems, roads, lighting, etc. The laws covering the specific type of district dictate the details of collecting the assessment. The county legislative authority or a special district board of commissioners administers the district. The county treasurer and the district involved agree upon the annual due date.

3.5 Local Improvement Districts

City Local Improvement Guaranty Fund

RCW:	35.54.060
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Affecting Levy Limits:	None
Excess Levies Authorized:	None
Governing Body:	City Council
Purpose:	To guarantee the payment of its local improvement bonds and warrants issued to pay for any local improvement ordered in the city or town.
Notes:	It is in addition to the city levy. The city is not obligated. This becomes a lien on the property.

City Local Improvement District (Lid)

(Lowlands and Waterways)

RCW:	35.56.190
Maximum Statutory Levy Rate:	$0.75/$1,000 Assessed Value
Affecting Levy Limits:	None
Excess Levies Authorized:	None
Governing Body:	City Council
Purpose:	See RCW 35.56.010.
Notes:	None

City Transportation Authority Area (Lid)

RCW:	35.95A.050
Maximum Statutory Levy Rate:	No $ limit/$1,000 Assessed Value
Affecting Levy Limits:	None
Governing Body:	City Transportation Authority
Purpose:	To finance public monorail transportation facilities and to repay local improvement bonds.
Notes:	None

3.5 Local Improvement Districts

Community Renewal Area (Lid)

RCW:	35.81.190
Maximum Statutory Levy Rate:	No $ limit/$1,000 Assessed Value
Affecting Levy Limits:	None
Excess Levies Authorized:	None
Governing Body:	Community Renewal Agency (RCW 35.81.050)
Purpose:	To pay in whole or in part the damages or costs of local improvement and to pay local improvement bonds.
Notes:	None

County Road Improvement District

Please see Road Improvement District under the Benefit Assessment Districts Section.

Fire Protection District (Lid)

RCW:	52.20.010 (Local Improvement District)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Affecting Levy Limits:	None
Excess Levies Authorized:	None
Governing Body:	Three commissioners (five if full-time paid, fire department), six-year staggered terms.
Purpose:	To eliminate fire hazards and protect life and property outside of incorporated cities and towns except where such cities and towns have been annexed into the district.
Notes:	None

Flood Control Zone District

See Flood Control Zone District under Benefit Assessment Districts Section.

3.5 Local Improvement Districts

Metropolitan Park District (Lid)

RCW:	35.61.220 (Local Improvement District)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Affecting Levy Limits:	None
Excess Levies Authorized:	General and Bond
Governing Body:	Five elected commissioners with six-year, staggered terms.
Purpose:	A metropolitan park district may be created for the management, control, improvement, maintenance, and acquisition of parks, parkways, boulevards, and recreational facilities. A metropolitan park district may include territory located in portions or all of one or more cities or counties, or one or more cities and counties, when created or enlarged as provided in this chapter.
Notes:	None

Park And Recreation District (Lid)

RCW:	36.69.200 (Local Improvement Districts)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Affecting Levy Limits:	None
Excess Levies Authorized:	General and Bond
Governing Body:	Board of Park Commissioners. Five commissioners elected from designated districts for staggered four-year terms.
Purpose:	To provide leisure time activities and recreational facilities of a nonprofit nature as a public service to residents of the district.
Notes:	None

3.5 Local Improvement Districts

Port District (Lid)

RCW:	53.08.050 and 53.20.040 (Local Improvement District)
Maximum Statutory Levy Rate:	No $ Limit/$1,000 Assessed Value
Affecting Levy Limits:	None
Excess Levies Authorized:	Bond
Governing Body:	Three or five member port commission with commissioner districts, except in King County where commissioners are elected at large (RCW 53.12.010).
Purpose:	To construct, acquire, and maintain harbor improvements, rail, or motor vehicle transfer and terminal facilities, water transfer and terminal facilities, air transfer or terminal facilities, other storage and handling facilities. To acquire and construct toll bridges and tunnels and belt line railways. To create industrial development districts and serve as their governing body.
Notes:	None

River And Harbor Improvement District

Please see River and Harbor Improvement under the Benefit Assessment Districts Section.

Sewer District (Lid)

See Water-Sewer District

3.6 Benefit Charges

Fire District Benefit Charges

RCW:	52.18.010 (Authorization), 52.18.065 (Limit on Property Tax), 52.18.010, 52.18.020, 52.18.090 (Exemptions)
Maximum Total Amount:	60 percent of the district's operating budget for the year in which the fee is collected.
Governing Body:	Fire District - Three commissioners (five if full-time paid, fire department), six-year staggered terms.
Purpose:	To eliminate fire hazards and protect life.
Notes:	Fire protection districts imposing a benefit charge are not allowed to levy taxes under RCW 52.16.160. Also, qualified senior citizens and disabled persons are exempt from a portion of this charge (RCW 52.18.090). An initial benefit charge requires supermajority (60%) voter approval and may be for 6 or fewer years. A continued 6 or 10 consecutive year benefit charge requires a simple majority (50%) voter approval. A permanent charge requires supermajority (60%) voter approval and can only occur after an initial 6 year charge has been approved. To qualify as a continued charge there must not be a break between the levies, but the amount of the charge can change between years. Elections must occur during a general or special election. 2017 Legislation exempts the following tax-exempt properties from benefit charges: housing authorities RCW 35.82.210, nonprofit homes for the aging RCW 84.36.041, nonprofit emergency housing RCW 84.36.043, nonprofit sheltered workshops RCW 84.36.350, very low income RCW 84.36.560, nonprofit/developmental disabilities RCW 84.36.042, and state housing finance commission RCW 84.36.135.

3.6 Benefit Charges

Regional Fire Protection Service Authority

Benefit Charges

RCW:	52.26.180 (Authorization & Exemption), 52.26.190 (Exemption) 52.26.240 (Limitation) and 52.26.270 (Exemption)
Maximum Total Amount:	Limited by the voter-approved plan.
Governing Body:	As determined by the voted plan, consisting only of elected officials.
Purpose:	To improve emergency response, share responsibility for fire protection among government entities, gain efficiencies in regional fire protection service delivery, and address critical fire protection projects and emergency services.
Notes:	Regional fire protection service authorities imposing a benefit charge are not allowed to levy taxes under RCW 52.26.140(1)(c). Also, qualified senior citizens and disabled persons are exempt from a portion of this charge (RCW 52.26.270). An initial benefit charge requires supermajority (60%) voter approval, and may be for 6 or fewer years. A continued 6 or 10 consecutive year benefit charge requires a simple majority (50%) voter approval. A permanent charge requires supermajority (60%) voter approval and can onlyoccur after an initial 6 year charge has been approved. There must not be a break between the levies to qualify as a continued charge, but the amount of the charge can change between years. Elections must occur during a general or special election. 2017 Legislation exempts the following tax-exempt properties from benefit charges: housing authorities RCW 35.82.210, nonprofit homes for the aging RCW 84.36.041, nonprofit emergency housing RCW 84.36.043, nonprofit sheltered workshops RCW 84.36.350, very low income RCW 84.36.560, nonprofit/developmental disabilities RCW 84.36.042, and state housing finance commission RCW 84.36.135.

3.6 Benefit Charges

City/Town Fire Protection Benefit Charges

RCW:	35.13.256 (Authorization & Exemptions)
Maximum Total Amount:	Voters approve the maximum percentage, up to 60 percent, of the department's operating budget for the year in which the fee is collected.
Governing Body:	City or Town – City or town council.
Purpose:	To eliminate fire hazards and protect life.
Notes:	See RCW 35.12.256 for a listing of property exempt from the benefit charge such as qualified senior citizens and disabled persons are exempt from a portion of this charge, housing authorities RCW 35.82.210, very low income RCW 84.36.560, personal property, and some real property improvements based on ownership. A city or town must be in the processing of annexing or, since 2006, has annexed all or part of one or more fire protections districts before they can levy this charge. An initial benefit charge requires supermajority (60%) voter approval and may be for 6 or fewer years. A continued benefit charge requires a simple majority (50%) voter approval and must be for 6 consecutive years. To qualify as a continued charge there must not be a break between the levies, but the amount of the charge can change between years.

CHAPTER 4 – Regular Levy Limitations

INTRODUCTION

Most regular levies are not voted on by the public but remain subject to several specific legal limitations:

- Certified levy amount
- Amount authorized by the resolution/ordinance
- Statutory dollar rate limit
- Levy limit (aka 101 percent growth limit)
- $5.90 aggregate limit
- 1 percent constitutional limit

We examine each of these limitations in the following pages. Not every levy is subject to each of these limitations. We provide a summary guide to levies and limits in Chapter 5, "Taxing Districts." However, all levies—regular or excess—voted or non-voted—are subject to the constitutional requirement for uniformity.

UNIFORMITY

The Constitution requires that all taxes on real estate be uniform within a taxing district. This requires that all taxes imposed by any taxing district must be the same on property of the same market value. The one exception to this is for agricultural, timber, and open space land. The Constitution authorizes assessors to value these lands on the basis of their current use rather than fair market value.

4.1 District Budgets

The district's budget is one of the limitations on taxation, although there are other rules and laws that limit the taxing districts' rates and protect the taxpayer. If the commissioners of the district can provide the necessary services without taxing the full amount, then the taxpayers' burden is reduced.

Taxpayers feeling aggrieved by a levy imposed, except levies authorized by the voters, may appeal the levy to the Department of Revenue. The taxpayer must make this appeal in writing with the county auditor where the taxing district is located no later than 10 days after the district makes the levy, i.e. adopts the resolution or ordinance setting the amount they wish to levy. (RCW 84.08.140)

Under RCW 84.52.020, most taxing districts that collect regular levies must certify their budget request to the county legislative authority by November 30 of the assessment year. Taxing districts make this certification in a variety of ways depending on the practice within each county. The Department provides a form (REV 64 0100) as a format for this certification.

Under RCW 84.55.120 a taxing district, other than the state, must hold a public hearing to discuss their revenue sources and possible property tax increases. If they decide to increase their levy request compared to the prior year's actual levy they must adopt a resolution or ordinance stating the dollar increase and percentage of change.

The county legislative authority must certify most taxing district's levy amounts to the county assessor on or before the first Monday in December and the levies for county purposes by December 15th (RCW 84.52.070) of the assessment year before the assessor can determine the final levy amounts and rates.

4.2 Resolutions / Ordinances

The amount authorized by a district in their resolution or ordinance is another limitation on taxation. When district officials need to increase their budget over the spending of the previous year, statute requires them to pass one or more resolutions (or ordinances), ***separate from the certification*** noted in Section 4.1. This resolution (or combination of resolutions) acknowledges the need for an increase in the budget and describes the increase in terms of dollars and percentage over the previous year's actual levy. The resolution and ordinance are described in greater detail in RCW 84.55.120:

> *RCW 84.55.120 Public hearing — Taxing district's revenue sources — Adoption of tax increase by ordinance or resolution.*
>
> *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.

You can find a more detailed discussion of the resolution and ordinance requirements in section 4.4, "The Levy Limit." REV 64 0101 is the form the Department offers as a format for this resolution. (See Appendix C – Forms and Publications.)

4.3 Statutory Dollar Rate Limits

Statutory dollar rate limits are specified for regular property tax levy rates for most types of taxing districts in RCW 84.52.043(1) and several other statutes. We provide a more complete list that includes the statutory references in Chapter 5 – Taxing Districts. The most common districts and their limits are noted below:

State School (1)	$3.60	Hospitals (4)	$.50 + .25
County Current Expense (2)	1.80	Libraries	.50
County Roads	2.25	Fire Dist. (5)	.50 + .50 + .50
Cities (3)	3.375	EMS	.50
Port Districts	.45	PUD	.45
Park & Recreation Districts	.60	Cemetery	.1125

NOTES:

1. The State School aggregate levy rate for collection years 2018, 2020, and 2021 was $2.70 per thousand dollars true and fair market value. The aggregate rate for the 2019 collection year was $2.40 per thousand dollars true and fair market value. The maximum aggregate levy rate returns to $3.60 per thousand dollars assessed true and fair market value, for collection year 2022.
2. The county current expense levy may exceed $1.80 (up to $2.475) as long as the combined total of the county current expense and the county road levy does not exceed $4.05 and no other taxing district is adversely affected.
3. A city may levy up to $3.60 if it is annexed to a library, annexed to a fire district, or participates in a regional fire service protection authority, less the actual levy rate levied by the library district, fire district, or regional fire service protection authority. If the city has an earmarked fire fighter's pension fund, they may levy an additional $.225 beyond the $3.375 or the $3.60 if annexed to a library or fire district or participates in a regional fire service protection authority.
4. The regular hospital levy limit is divided into two parts: the "first $.50" and an "additional $.25" for a total of $.75. The purpose of this division is to allow for a clearly marked $.25 reduction during prorationing should it become necessary to do so.

5. Fire districts may levy up to $1.50. As of July 23, 2017, fire districts are no longer required to have a full-time, paid employee or that contract for the services of at least one full-time, paid employee may levy up to $1.50.

The following chart further demonstrates statutory maximum base rate limits for city and towns:

Cities and Towns - Statutory Maximum Rate

Example No.	No Annexation	Annexed to a Fire District	Annexed to a Library District	Participates in a Regional Fire Protection Service Authority (RFA)	Firefighters' Pension Fund	Statutory Maximum Base Rate	Deduction to Base Rate
1	X					$3.3750	None
2	X				X	$3.6000	None
3	X			X		$3.3750	Less RFA's Actual
4	X			X	X	$3.6000	Less RFA's Actual
5		X				$3.6000	Less Fire's Actual
6		X			X	$3.8250	Less Fire's Actual
7			X			$3.6000	Less Library's Actual Rate
8			X		X	$3.8250	Less Library's Actual Rate
9			X	X		$3.6000	Less Library's & RFA's Actual Rate
10			X	X	X	$3.8250	Less Library's & RFA's Actual Rate
11		X	X			$3.6000	Less Library's & Fire's Actual Rate
12		X	X		X	$3.8250	Less Library's & Fire's Actual Rate

RCW 84.52.043 Limitations upon regular property tax levies. *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 shall be as follows:*

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 thousand dollars of assessed value, and no other taxing district has its levy reduced as a result of the increased county levy….

[2021 HB 1034 Section 3]

Note: RCW 84.52.043(2) deals with the aggregate limit discussed in the later section, "$5.90 Aggregate Limitation."

THE BALLOT— Excess Levies

Assessors can exceed the statutory limits only when the voters specifically approve such a measure. Voter-approved property taxes are termed "excess" or "special" levies. These levies are approved in terms of total dollars and are generally for only one year but can be for two to six years with respect to school districts and fire protection districts and for as many as 30 years with respect to bond retirement levies. Each year the assessor determines the rate necessary to raise the amount of money approved in the current year and in previous years and adds those rates to the regular levy rate.

> ***RCW 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]

More information about voter approved levies can be found in the Department of Revenue's on-line Ballot Measure Requirements for Voted Property Tax Levies publication.

4.4 Levy Limit (101 Percent Limit)

The legislature introduced the levy limit in the 1970s, restricting the growth of regular levies. As a result of the passage of Initiative 747 in 2001 reduced the allowable annual increases in levy amounts from 6 percent to 1 percent. The King County Superior Court found Initiative 747 unconstitutional in June 2006. During the 2007 special legislative session, HB 2416 reinstated the 1 percent levy limit for taxing districts. Chapter 84.55 RCW details this limitation. Two key sections are as follows:

RCW 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.

[ESHB 1189, 2021 Regular Legislative Session]

*RCW **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).]

The Legislature enacted RCW 84.55.092 in the late 1980s, allowing the levy limit for districts other than the state to be based on the highest amount that assessors could have levied since 1985/1986. This act provided districts with the ability to "bank capacity," removing an incentive to always increase their levy by the 6 percent available under statute at the time.

LEVY LIMIT CALCULATION— 101 Percent

In most instances, the assessor completes the calculation of the levy limit. The statutes authorize a very limited number of taxing districts to compute their own levy limit and rate. Without passage of a resolution/ordinance, taxing districts are allowed to levy only as much as in the preceding year, plus an amount for new construction, improvements to property, newly constructed wind turbines classified as personal property, solar, biomass, geothermal facilities, if the facility is not state assessed, increases in the value of state-assessed property, and increases in value within a local tax increment financing area. The population of the taxing district and the implicit price deflator (IPD) dictates the number and types of resolutions or ordinances required to use the 101 percent limit factor.

Taxing Districts with a Population of Less than 10,000

Unless a taxing district adoptes a resolution/ordinance, the amount levied in the current year may not exceed the amount levied in the preceding year plus additional funds for new construction,

improvements to property, newly constructed wind turbines, solar, biomass, geothermal facilities, if the facility is not state assessed, increases in the value of state-assessed property, increases in value within a local tax increment financing area, annexations, and refunds. By adopting a resolution/ordinance, the district is allowed to increase its highest lawful levy by 1 percent and increase their prior year's amount actually levied by the lesser of the percentage increase or dollar amount stated in the resolution/ordinance. A majority of the governing board of the district must pass the resolution/ordinance. Adoption of the resolution/ordinance also allows the district to bank levy capacity.

Taxing Districts with a Population of 10,000 or More

Again, without adoption of a resolution/ordinance, a taxing district's current levy is limited to the amount levied in the preceding year plus additional funds for new construction, improvements to property, newly constructed wind turbines, solar, biomass, geothermal facilities, if the facility is not state assessed, increases in the value of state assessed property, increases in value within a local tax increment financing area, annexations, and refunds. Adoption of a resolution/ordinance allows the district to increase its highest lawful levy by the lesser of 1 percent or the rate of inflation as measured by the IPD and increase their prior year's amount actually levied by the lesser of the percentage increase or dollar amount stated in the resolution/ordinance. A separate resolution/ordinance stating the district's substantial need is required to increase the levy above the IPD, but no more than 1 percent.

By adopting a resolution/ordinance, the district is allowed to increase its levy or bank levy capacity up to the lesser of 1 percent or the IPD. The increase is calculated on the highest lawful levy of the district since 1985. The highest lawful levy since 1985 does not include the additional levy capacity due to increases in value within a local tax increment financing area. The resolution/ordinance must state both the dollar and percentage increases above the amount levied in the preceding year, and a majority of the governing board of the district must pass it.

Because the limit factor for local taxing districts with a population of 10,000 or more is the lesser of 101 percent or 100 percent plus inflation (inflation is defined as the percentage change in the IPD), a negative change in the IPD would result in a limit factor of less than 100 percent. For example, if the percentage change in the IPD were -1.0 percent, the limit factor would be 100 percent less -1.0 percent for a limit factor of 99 percent.

To increase its levy or bank levy capacity above the IPD, the district must demonstrate substantial need and adopt a separate resolution/ordinance. With adoption of this second resolution/ordinance, their highest lawful levy since 1985 may be increased up to 1 percent. The resolution/ordinance must state the nature of the substantial need and the percentage increase, and a supermajority (60%) of the governing board of the district must pass it. The two resolutions/ordinances work together. Districts increasing their levies above the IPD should state the total dollar and percentage increases in their resolution/ordinance.

Example #1 — Population of Taxing District is LESS than 10,000

Amount levied in preceding year:	$200,000
Highest lawful levy since 1985:	$200,000
Current levy request certification:	$220,000

The following resolution/ordinance was passed by a majority of the district's governing board:

Whereas, the Board of Commissioners of _____ Taxing District, after hearing and after duly considering all relevant evidence and testimony presented, determined that _____ Taxing District requires an increase in property tax revenue from the previous year, in addition to that resulting from the addition of new construction and improvements to property, newly constructed wind turbines, solar, biomass, geothermal facilities, if the facility is not state assessed, and any increase in the value of a local tax increment finance area any increase in the value of state-assessed property, in order to discharge the expected expenses and obligations of the district and in its best interest; now therefore, be it

Resolved, by the Board of Commissioners of _____ Taxing District that an increase in the regular property tax levy, in addition to the increase resulting from the addition of new construction and improvements to property, newly constructed wind turbines, solar, biomass, geothermal facilities, if the facility is not state assessed, any increase in the value of state assessed property, and any increase in the value of a local tax increment finance area is hereby authorized for the levy in the amount of $5,000 which is a percentage increase of 2.5 percent from the previous year.

The levy is calculated as follows:

Step 1	Multiply:	Highest lawful levy since 1985	$ 200,000
		x 101% to increase by 1%*	x 101%
	Product		$ 202,000
Step 2	Add:	New Construction	
		x last Year's Levy Rate	$ 5,000
Step 3	Add:	Increase in state-assessed property	
		x last year's levy rate	$ 1,000
Step 4	Add:	Increment value (increase in LTIF area)	
		x last year's levy rate	$ 10,000
	Maximum allowable levy		$ 218,000
Lesser of maximum allowable levy and the certified budget request			$ 218,000
Highest Lawful levy for current year**			$ 218,000
New highest lawful levy since 1985			$ 208,000

*As referenced above, when the district's population is less than 10,000 and they adopt a resolution authorizing an increase over the prior year's levy, the limit factor applied to their highest lawful levy is 101%. The percentage and dollar increase stated in their resolution/ordinance is applied to the amount of funds they actually levied in the prior year.

**Assuming the statutory maximum rate limit is greater $218,000

Example #2 — Population of Taxing District is MORE than 10,000

Amount levied in preceding year: $510,000

Highest lawful levy since 1985: $510,000

Current levy request certification: $590,000

The following resolution/ordinance was passed by a majority of the district's governing board:

Whereas, the Board of Commissioners of _____ Taxing District, after hearing and after duly considering all relevant evidence and testimony presented, determined that _____ Taxing District requires an increase in property tax revenue from the previous year, in addition to that resulting from the addition of new construction and improvements to property, newly constructed wind turbines, solar, biomass, geothermal facilities, if the facility is not state assessed, any increase in the value of state-assessed property, and any increase in the value of a local tax increment finance area in order to discharge the expected expenses and obligations of the district and in its best interest; now therefore, be it

Resolved, by the Board of Commissioners of _____ Taxing District that an increase in the regular property tax levy, in addition to the increase resulting from the addition of new construction and improvements to property, newly constructed wind turbines, solar, biomass, geothermal facilities, if the facility is not state assessed, any increase in the value of state assessed property, and any increase in the value of a local tax increment finance area is hereby authorized for the levy in the amount of $2,550 which is a percentage increase of .5 percent from the previous year.

A resolution showing substantial need was passed by a super-majority of the governing board:

Whereas, the Board of Commissioners of _____ Taxing District has determined that, due to (substantial need) the Board of Commissioners finds that there is a substantial need to increase the budget by 1 percent and to set the levy limit factor at 101 percent in the event this levy capacity is needed in future years.

The levy is calculated as follows:

Step 1	Multiply:	Highest lawful levy since 1985	$ 510,000
		x 101% to increase by 1%	x 101%
	Product		$ 515,100
Step 2	Add:	New construction	
		x last year's levy rate	$ 25,000
Step 3	Add:	Increase in state-assessed property	
		x last year's levy rate	$ 10,000
Step 4	Add:	Increment value (increase in LTIF area)	
		x last year's levy rate	$ 30,000
		Maximum allowable levy	$ 580,100
Lesser of maximum allowable levy and the certified budget request			$ 580,100
Highest lawful levy for current year*			$ 580,100

New highest lawful levy since 1985	$ 550,100

*Assuming the statutory maximum rate limit is greater $580,100

Because the resolution/ordinance demonstrating substantial need sets the levy levy limit factor at 101 percent, the highest lawful levy for the current year is calculated based on that percentage. This is important for determining future years' levies. In this manner, the district is able to bank excess levy capacity.

> ***RCW 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.*

4.4.1 Effect of Boundary Changes on Levy Limit Calculations

Annexations:	RCW 84.09.030
	RCW 84.55.030
	WAC 458-19-035
Consolidations and Mergers:	RCW 84.09.030
	RCW 84.55.020
	WAC 458-19-030
Newly formed taxing district:	RCW 84.09.030
	RCW 84.55.035
	WAC 458-19-040

4.4.2 Levy Limit Lid-Lift

RCW 84.55.050 -- Election to Authorize Increase.

As a district applies the levy limit to its budget over the years, the allowable rate a district can levy on taxpayers tends to drift downward from the maximum statutory levy rate. Occasionally, a district will need to raise the levy limit in order to increase funds. A district may ask its voters to authorize it to levy an amount that exceeds the limit factor or "lift the 1 percent levy lid." Lid lifts may result in increasing the limit factor for one year or up to six consecutive years. The result of the limit factor increase can temporarily or permanently impact future levy limit calculations.

Lid lifts may have specific conditions such as:

- Using the final lid lift levy amount for the purpose of computing subsequent levy limits (aka a permanent levy lid lift).
- Limiting the number of years the increased levy capacity will be used.
- Limiting the purpose that the additional levy capacity will be used for.
- Set the levy rate to be used in the first year of the lid lift at a rate less than the district's statutory maximum levy rate.
- Taxpayers who qualify for a senior citizen/disabled person exemption (RCW 84.36.381) may be exempt from the increased levy if the lid lift is for a county or city levy.

BALLOT MEASURES

A taxing district that wants to levy an amount in excess of the levy limit factor must first receive approval by a majority of the district's voters. Slightly different provisions apply depending on whether the limit factor will be exceeded for a single year lid lift, or multiple year lid lifts, up to 6 consecutive years.

Single Year Lid Lift:

- Allows a district to exceed the limit factor one time.
- Requires approval of a simple majority of voters.
- May be voted at a special or general election.
- Must be approved not more than 12 months prior to when the lid lift will be imposed.
- The ballot must contain the dollar rate imposed by the district for the first year of the lid lift.
- Is temporary unless the ballot specifically states the final levy will be used for future levy limit calculations.
- The ballot proposition may place one or more of the following conditions on the lid lift:
    - The last levy under the lid lift will be used when calculating subsequent year's limitations. This makes the levy increase permanent.
    - Limit the numbers of years the district will carry forward the increased levy capacity.

- Limit the purpose the district will use the increased levy capacity for. If the district is using the increase for bond redemption payments, it cannot make the increased levy for more than 9 years. The exception is the county in which the state capital is located, Thurston County, they may use the increased levy capacity for a maximum of 25 years.
- Set the first year's levy rate at a rate less than the statutory maximum rate.
- Provide an exemption for the increased levy capacity to taxpayers who qualify for an exemption under RCW 84.36.381, Senior Citizen/Disabled Person exemption.

Multiple Year Lid Lift:

- Allows a district to exceed the levy limit factor up to six times in consecutive years.
- The ballot proposition must contain the dollar rate imposed by the district for the first year of the lid lift.
- The ballot proposition must contain the limit factor(s) or specific index(es) used to determine the limit factor for years two through six of the lid lift.
- Requires approval of a simple majority of voters.
- May be voted at a primary or general election.
- Must be approved not more than 12 months prior to the first year of the lid lift.
- The ballot title must contain the limited purpose for the increased levy.
- Is temporary unless the ballot specifically states the final levy will be used for future levy limit calculations.
- Counties can use funds raised to supplant existing funds beginning with levies voters approved after July 26, 2009. In counties with a population of 1.5 million or more, they can use funds raised to supplant existing funds for levies voters approved after July 26, 2009, through December 31, 2011, and January 1, 2015 through December 31, 2022.
- The ballot proposition may place one or more of the following conditions on the lid lift:
  - The last levy under the lid lift will be used when calculating subsequent year's limitations. This makes the levy increase permanent.
  - Limit the numbers of years the district will carry forward the increased levy capacity.
  - Limit the purpose the district will use the increased levy capacity for. If the district is using the increase for bond redemption payments, it cannot make the increased levy for more than 9 years. The exception is the county in which the state capital is located, Thurston County, they may use the increased levy capacity for a maximum of 25 years.
  - Set the first year's levy rate at a rate less than the statutory maximum rate.
  - Provide an exemption for the increased levy capacity to taxpayers who qualify for an exemption under RCW 84.36.381, Senior Citizen/Disabled Person exemption.

CALCULATION OF LEVY LIMIT AFTER ADOPTION OF A LID LIFT

Once voters approve the single year or multiple year levy lid, the assessor will proceed with the levy limit calculation as follows:

Single Year or Multiple Year Lid Lift – Temporary Increase

With a temporary lid lift, the integrity of the levy limit calculation must remain intact. When a temporary lid lift expires, based on terms in the ballot title, the starting point for calculating the levy limit in future years will be the amount allowed to the district as though a lid lift never occurred. To maintain a "pure" levy limit figure each year a temporary lid lift is in effect, follow the steps below:

Step 1 – First Year of Lid Lift:

1. Calculate both the levy limit amount and the maximum statutory rate amount as if the lid lift had not occurred. The levy limit calculation is made as if the district levied the maximum amount allowed under chapter 84.55 RCW during the year(s) of the levy lid lift. In other words, the limit factor would be:
    - 101% for districts with a population less than 10,000
    - 100% + IPD for districts with a population 10,000 or more; or
    - The limit factor stated in the district's substantial need resolution, if they adopted one, but not more than 101%, for district with a population of 10,000 or more.
2. The LESSER of the levy limit and the statutory levy in Step 1 is what the district could have levied if the voters had not approved the lid lift.
3. Compare the LESSER of the limitations in Step 2 to the levy's highest lawful levy since 1985 and carry forward the GREATER of those two amounts to the subsequent levy calculations.

Step 2 – First Year of Lid Lift:

1. Calculate the levy amount based on the levy rate approved by the voters.
2. Calculate the levy amount based on the statutory maximum levy rate.
3. Compare these two levy amounts to the district's certified levy request.

The LESSER of these three levy amounts is the maximum amount of the levy.

The Department of Revenue has interpreted the voter approved levy rate satisfies the requirement in RCW 84.55.120(3)(a), resolution/ordinance authorizing an increase compared to the district's prior year's levy as this resolution or ordinance plays a factor in determining the levy's limit factor that has been exceeded by the voters.

Step 3 – Levy Calculations if the Lid Lift Expired After the First Year:

1. Calculate the subsequent levy limitations as if the lid lift had never occurred. Use the highest lawful levy from Step 1, No. 3. Use the levy rate that would have been levied if the lid lift had not occurred, not the prior year's certified levy rate, to increase the addition of new construction and improvements to property, newly constructed wind turbines, solar,

biomass, geothermal facilities, if the facility is not state assessed, and any increase in the value of state-assessed property.

Step 4 – Levy Calculations if the Lid Lift Continues After the First Year:

1. Repeat Step 1, No. 1, 2, and 3 to determine the maximum levy that could have been levied without the lid lift since this is a temporary lid lift.
2. Calculate all the levy limitations using the highest lawful levy and certified levy rate from the prior year, with the lid lift.
3. Carry forward the lesser of the limitations from the prior step to the $5.90 and Constitutional 1 percent aggregate limitation.
4. Continue Steps 3 and 4 until the lid lift expires.

Single Year Lid Lift – Permanent Increase

Step 1 – First Year of Lid Lift:

1. Calculate the levy amount based on the levy rate approved by the voters.
2. Calculate the levy amount based on the statutory maximum levy rate.
3. Compare these two levy amounts to the district's certified levy request. The LESSER of these three levy amounts is the maximum amount of the levy.

The Department of Revenue has interpreted the voter approved levy rate satisfies the requirement in RCW 84.55.120(3)(a), resolution/ordinance authorizing an increase compared to the district's prior year's levy.

Step 2 – Year Following the Lid Lift:

1. Calculate the levy limitations based on the prior year's levy limitations just like normal.

Multiple Year Lid Lift – Permanent Increase

Step 1 – First Year of Lid Lift:

1. Calculate the levy amount based on the levy rate approved by the voters.
2. Calculate the levy amount based on the statutory maximum levy rate.
3. Compare these two levy amounts to the district's certified levy request.

The LESSER of these three levy amounts is the maximum amount of the levy.

The Department of Revenue has interpreted the voter approved levy rate or limit factor satisfies the requirement in RCW 84.55.120(3)(a), resolution/ordinance authorizing an increase compared to the district's prior year's levy as this resolution or ordinance plays a factor in determining the levy's limit factor that has been exceeded by the voters .

Step 2 – Years Following the Initial Lid Lift:

1. Increase the levy's highest lawful levy since 1985 by the limit factor approved by the voters. This may be for up to five years after the initial lid lift year.
2. Proceed normally with the levy limitation calculations and levy the LESSER of the limitations.

The Department of Revenue has interpreted the voter approved limit factor satisfies the requirement in RCW 84.55.120(3)(a), resolution/ordinance authorizing an increase compared to the district's prior year's levy as this resolution or ordinance plays a factor in determining the levy's limit factor that has been exceeded by the voters.

Lid lifts that provide for an exemption under RCW 84.36.381(temporary or permanent)

For the first year of the levy lid lift, you may find it helpful to prepare the *First Year Lid Lift Calculations with an Exemption* worksheet. This worksheet consists of four steps:

1. Calculate the levy amount and rate as if the voters did not approve the levy lid lift.
2. Calculate the levy amount based on the rate approved by the voters.
3. Calculate the total levy amount for the levy. This is the levy amount to be collected from property exempt from the lid lift and property subject to the lid lift.
4. Calculate the levy rates to be applied to the property that is exempt from the lid lift and the property that is subject to the lid lift. You will use the greater of these two levy rates when reviewing the $5.90 and Constitutional 1% aggregate levy limits.

It is very important to ensure you are using the correct taxable values when determining the levy rates and levy amounts for property either subject to the lid lift or exempt from the lid lift. You will need to determine the taxable value of the district as if the lid lift with the exemption had never occurred and the taxable value subject to the lid lift increase. The difference between these two taxable values is the taxable value subject to the district's levy as if the lid lift had not occurred.

Let's say the voters approved a single-year levy lid lift setting the levy rate at $1.45 per $1,000 assessed value, with a condition exempting property qualifying for an exemption under RCW 84.36.381 from the increased levy capacity. Let's take a look at what the levy calculation will look like using the following facts:

- Taxable value of the district - $3,200,000,000
- $500,000,000 of the taxable value qualifies for an exemption under RCW 84.36.381
- District's prior year levy and highest lawful levy since 1985 - $4,000,000
- District's current years certified levy request - $6,000,000
- District passed an ordinance authorizing an increase in their levy, $2,000,000 or 50%
- District's population is less than 10,000
- District's statutory maximum levy rate $1.80 per $1,000 assessed value
- There is no new construction, increase in state assessed utility value, or LTIF increase for this assessment year

Step 1:

Complete the levy calculations as if the lid lift had never occurred to determine the levy rate that will apply to property receiving an exemption under RCW 84.36.381:

- Determine the levy's levy limit by increasing the highest lawful levy by the 101% limit factor:
    - $4,000,000 * 101% = $4,040,000
- Determine the statutory maximum levy amount:
    - $3,200,000,000 * 1.80/1000 = $5,760,000
- Determine the levy amount authorized by the district's ordinance increasing their property tax over the prior year's property tax:
    - $4,000,000 + $2,000,000 = $6,000,000
- Compare the prior three levy amounts to the district's certified levy request, $6,000,000, and calculate a levy rate based on the lesser levy amount. This is the levy rate that will be applied to the property exempt from the levy lid lift:
    - $4,040,000 / $3,200,000,000 * $1,000 = $1.2625 per $1,000 assessed value

Step 2:

Determine the levy amount approved by the voters using the taxable value subject to the lid lift:

($3,200,000,000 - $500,000,000) * $1.45 / $1,000 = $3,915,000.

Step 3:

Determine the amount of taxes the levy will generate from the property subject to the lid lift and exempt from the lid lift:

- $1.2625 * $500,000,000 / $1,000 = $631,250 (this is the amount from property exempt from the lid lift.)
- $631,250 + $3,915,000 = $4,546,250 (this is the total levy amount.) Double check this amount does not exceed the district's budget request. If it does not, the rates determined in this step and step 2 are the rates you will include in the tax roll and apply to the appropriate parcels. If it exceeds the budget request, you must reduce the amount levied against the property that qualifies for the lid lift, see Step 4.

Step 4:

If the levy amount in Step 3 exceeds the district's certified levy request, subtract the levy amount from property exempt from the lid lift from the district's certified levy request. This is the amount that must be levied against the property subject to the lid lift. Divide the amount to be levied against the property subject to the lid lift by the taxable value of property subject to the lid lift. This will be the levy rate applied to those parcels.

The year following the first year of the lid lift, and all subsequent years, continue to calculate the levy limitations as if the voters had never approved the lid lift until the lid lift expires. You can accomplish this by either using Step 1 on the First Year Lid Lift Calculations with an Exemption worksheet or the regular levy limit worksheet. Once again, this is the levy rate you will apply to property that remains taxable outside of RCW 84.36.381 and RCW 84.55.050.

When determining the highest lawful levy for the portion of the district's levy subject to the lid lift for the year following the lid lift and all subsequent years until the lid lift expires, you will carry forward the levy amount the voters authorized, levy rate multiplied by the taxable value of the district subject to the lid lift, $6,500,000 using our example. Increase that levy amount by the appropriate limit factor as described in RCW 84.55.005 and 84.55.0101 or the limit factor/specified index stated in the ballot title if the lid lift is a multi-year lid lift. You will use the actual levy rate applied to the property subject to the lid lift from the prior year to increase the current year's, new construction, improvements to property, newly constructed wind turbines, and increases in state-assessed property.

PLEASE NOTE: Lid lifts are NOT excess levies. A lid lift is simply a means of exceeding the 101% growth levy limit. Qualifying senior citizens are exempt from lid lifts only to the extent they are exempt from regular levies and when this condition is expressly stated in the lid lift ballot title.

If the voters approve limit factors to be used in years 2-6 of the lid lift, additional resolutions or ordinances authorizing an increase in the levy compared to the prior year are not necessary for those years. This only applies to lid lifts that do not provide for a property tax exemption.

4.4.3 Banked Capacity

Banked capacity is the difference between the highest lawful levy that could have been made under chapter 84.55 RCW and the actual levy that was imposed, less funds levied not subject to the levy limit, such as refund levies. The amount of banked capacity changes each year because the highest lawful levy under chapter 84.55 RCW and the actual levy are recalculated. Having banked capacity for one year does not guarantee the district will have the same amount or more the following year.

One way a district can protect their levy capacity is to pass the appropriate resolutions as described earlier in this section.

If a district levies less than their highest lawful levy, they will have banked capacity. If a district levies at their highest lawful levy, they will not have banked capacity.

When a district wants to use banked capacity, their resolution or ordinance must authorize a large enough increase as compared to the prior year's actual levy that will allow the district to levy up to their highest lawful levy.

4.5 $5.90 Aggregate Limit for Local Regular Levies

$5.90 AGGREGATE LIMIT FOR LOCAL REGULAR LEVIES

State law authorizes most taxing districts to levy a certain rate each year without voter approval; these are commonly referred to as regular levies. All together, certain local regular levies cannot exceed $5.90.

RCW 84.52.043(2) provides the combined limit on local regular levies.

PRORATION UNDER THE $5.90 AGGREGATE LIMIT

When this limitation is exceeded, the rates must be reduced or eliminated among the districts, according to a statutory mechanism for reducing junior district rates. RCW 84.52.010 provides the proration order to be followed.

When a county assumes the respsonsibility to provide services authorized by a dissolved special purpose district, that levy is subject to the same provisions as the county's general property tax levy in regard to RCW 84.52.010 and RCW 84.52.043 (RCW84.55.135).

Some taxing districts may protect a portion of the levy rate from the $5.90 agregate limit. RCW 84.52.125, fire districts and regional fire protection service authorities, and RCW 84.52.816, flood control zone districts in a county with a population of 775,000 or more or a county within the Chehalis River Basin that is coextensive with a county, may protect up to $0.25 per thousand dollars of assessed value outside of the $5.90 limitation if their levy is subject to prorationing. Be sure to calculate all of the reductions, verifying that the TCA does not exceed $5.90 before you add back the protected rate. Protecting this levy capacity is optional for the fire protection districts and flood control zone districts. Be sure to have written confirmation from the district(s) if they want to protect their levy amount before automatically adding the protected rate back into the levy calculation.

Metropolitan park districts with a population of 150,000 or more may request voter approval to protect up to $0.25 per thousand dollars of assessed value outside of the $5.90 aggregate levy limitation. The ability for a metropolitan park district to protect up to $0.25 per thousand dollars assessed value of their levy rate when the district is located in King County and has a population less than 150,000 from the $5.90 limitation expired after the 2017 tax year.

Property tax levies for a park and recreation districts located on an island and in a county with a population greater than 2,000,000 are not subject to the $5.90 aggregate limitation for tax years 2022 through 2026.

The table below summarizes the reduction order.

$5.90 AGGREGATE LIMIT
PRORATION ORDER
(AFTER MAKING THE LEVY LIMIT CALCULATION)

RCW			
84.52.010(3)(b)(i)	**First:** Cultural Access Program	84.52.821	
RCW 84.52.010(3)(b)(ii)	**Second**: Park & Recreation District (Ex. districts in King Co. on an island) Park & Recreation Service Area Cultural Arts Stadium & Convention Dist. City Transportation Authority	 36.69.145 36.68.525 67.38.130 35.95A.100	
84.52.010(3)(b)(iii)	**Third**: Flood Control Zone*** ***Some Flood Control Zone Districts may protect up to $0.25 from prorationing (RCW 84.52.160)	86.15.160	
84.52.010(3)(b)(iv)	**Fourth**: Hospital Metropolitan Park Cemetery All other junior taxing districts not otherwise mentioned *Metropolitan Park District may protect by a vote	70.44.060(6) 35.61.210 68.52.310	($.25) ($.25)*
84.52.010(3)(b)(v)	**Fifth:** Metropolitan Park (Created on/after 1/1/02)	35.61.210	($.50)
84.52.010(3)(b)(vi)	**Sixth**: Fire District Fire District Fire Protection Service Authority Fire Protection Service Authority (1 paid FTE) **Fire Protection Districts and Fire Protection Service Authorities may protect up to $0.25 from prorationing	52.16.140 52.16.160 52.26.140(1)(b) 52.26.140(1)(c)	($.50)** ($.50)** ($.50)** ($.50)**
84.52.010(3)(b)(vii)	**Seventh**: Fire District Fire Protection Service Authority Library Hospital Metropolitan Park (Created before 1/1/02)	52.16.130 52.26.140(1)(a) 27.12.050 & 27.12.150 70.44.060(6) 35.61.210	($.50) ($.50) ($.50) ($.50) ($.50)
84.52.010(3)(a)	**Eighth**: County Current Expense County Road City County – Dissolved Special Purpose Levy	84.52.043(1)(b) 84.52.043(1)(c) 84.52.043(1)(d) 84.55.135	

Levies not subject to the $5.90 Aggregate Limit:

State School levies, Ports, Public Utility Districts, Emergency Medical Services, Affordable Housing, Conservation Futures, County Ferry Districts, Criminal Justice, Regional Transit Authority, Park & Rec. levies on an island in King County, and County Transit.

EXAMPLE OF THE $5.90 AGGREGATE LIMIT:

DISTRICT	LEVY RATE / $1,000 AV
County Current Expense	$1.7800
Road District	2.2400
Rural Library	.5000
Fire District	1.0239
Hospital District	.5500
Cemetery District	.1100
	$6.2039

Since the $5.90 limitation has been exceeded, the junior taxing districts are subject to reduction, proration, and/or elimination using the order for the $5.90 limitation.

District	Original Rate	Reduced Rate
County Current Expense	$1.7800	$1.7800
Road District	2.2400	2.2400
Rural Library	0.5000	0.5000
Fire District	1.0239	0.8800
Hospital District	0.5500	0.5000
Cemetery District	0.1100	0.0000
Total	$6.2039	$5.9000

The cemetery's $0.1100 and the hospital district's additional $0.05 are eliminated first. Since the $5.90 at this point is still exceeded by $0.1439, that amount is then reduced from the fire district's.

Fire districts and regional fire service authorities have the unique option to "protect" a portion of their second and/or third $0.50 levies from $5.90 proration. RCW 84.52.125 allows up to $0.25 of those levies to be levied outside of the $5.90 limit when the fire district or regional fire service authority levies are reduced by proration at the sixth level on the chart above. The taxing district must provide the county assessor a written statement that they wish to protect a portion of their levy rate if it is subject to prorationing or elimination. In our example, those levy rates were reduced by $0.1439. The $0.1439 can be restored after the $5.90 calculations to give the fire district the full $1.0239 they originally requested.

An example of how levies share in reductions when there are two or more levies at the same priority level is demonstrated in Chapter 6.5. These proportional reductions are also referred to as prorationing.

The Department of Revenue has developed the Prorationing Worksheet for the $5.90 Aggregate Limit (REV 64 0097) to help in making these calculations.

4.6 1 percent Constitutional Limit

In 1972, voters adopted a constitutional limit of 1.0 percent. This limits the amount of property taxes a taxing district may impose on an individual parcel (real or personal) of property without voter approval to 1 percent of its true and fair value. The 1 percent limit applies to all regular levies (except port and PUD levies). It does not apply to special levies voters approved. While the levy limit restricts the total revenue a taxing district collects, the 1 percent constitutional limit applies directly to taxes individual property owners paid. This limit would equate to a regular levy rate of $10.00 per $1,000 of assessed value if the property were assessed at its true and fair value. Districts rarely approach the constitutional limit and to date they have not exceeded it.

The 1 percent limit is based on true and fair value, unlike the $5.90 limit which is based on assessed value. Taxing districts subject to the 1 percent limit are those that are under the $5.90 limit plus the state school levies at the local rate, emergency medical service levy, affordable housing levy, county ferry, criminal justice, county transit, regional transit authority, all park and rec. levies, and the conservation futures levy.

The assessor may exceed the 1 percent limit if approved by 60 percent of the voters voting on the proposition, with a validation requirement that 40 percent of the voters voting in the last general election vote yes for the current election. Exceptions to this includes school district levies where statute requires only a 50 percent approval of voters no validation requirement. These are excess levies.

A variety of situations can cause the 1 percent limit to be exceeded.

1. The county's indicated ratio results show the personal property ratio is higher than the real property ratio by several points. The personal property ratio controls the limit, because it is higher. The real property, by its volume, causes the state school levies to go up. When a real or personal property ratio is low, the assessor must raise the state levy in order to generate the same amount of money had the assessment ratios been at 100 percent.
2. Taxing districts are near their statutory rate.
3. Taxing districts are near their $5.90 limitation.

RCW 84.52.050 restates the 1 percent constitutional limit.

RCW 84.52.010(3) provides the proration order for levies not included in the $5.90 Aggregate Limit but are subject to proration under the 1 percent constitutional limit.

When a county assumes the respsonsibility to provide services authorized by a dissolved special purpose district, that levy is subject to the same provisions as the county’s general property tax levy in regard to RCW 84.52.010 and 84.52.043 (RCW 84.55.135).

The table below summarizes the reduction order:

CONSTITUTIONAL 1 PERCENT LIMIT PRORATION ORDER

(AFTER MAKING THE LEVY LIMIT CALCULATION AND PRORATING, IF NECESSARY, UNDER THE $5.90 LIMIT)

84.52.010(3)(a)(i)	**First:** Flood Control Zone District (Portion if any, protected from $5.90 proration under 84.15.160)	84.52.816	($.25)
84.52.010(3)(a)(ii)	**Second:** County Transit	84.52.140	($.075)
84.52.010(3)(a)(iii)	**Third:** Fire District RFA (*This amount is prorated only if previously protected from proration under the $5.90 limit.)	84.52.125 84.52.125	($.25)* ($.25)*
84.52.010(3)(a)(iv)	**Fourth**: Criminal Justice	84.52.135	($.50)
84.52.010(3)(a)(v)	**Fifth**: County Ferry District	36.54.130	($.075 King Co., all other counties $0.75)
84.52.010(3)(a)(vi)	**Sixth:** Metropolitan Park (If protected under the $5.90 Limit, district population must be 150,000 or more)	84.52.120	($.25)
84.52.010(3)(vii)	**Seventh:** Park & Rec. Dist. on island in King Co.	36.69.145	($.60)
84.52.010(3)(a)(viii)	**Eighth**: Conservation Futures Affordable Housing Emergency Medical Services	84.34.230 84.52.105 84.52.069	($.0625) ($.50) ($.20)
84.52.010(3)(a)(ix)	**Ninth**: Emergency Medical Services	84.52.069	($.30)
84.52.010(3)(b)(i)	**Tenth**: Cultural Access Program	84.52.821 (no rate limit)	

84.52.010(3)(b)(ii)	**Eleventh:**		
	Park & Recreation District (ex districts in King Co. on an island)	36.69.145	($.60)
	Park & Recreation Service Area	36.68.525	($.60)
	Cultural Arts Stadium & Convention Dist.	67.38.130	($.25)
	City Transportation Authority	35.95A.100	($1.50)
84.52.010(3)(b) (iii)	**Twelfth**: Flood Control Zone (Portion of levy not protected in 84.52.816)	86.15.160	($.50)
84.52.010(3)(b) (iv)	**Thirteen**:		
	Hospital	70.44.060(6)	($.25)
	Metropolitan Park	35.61.210	($.25)
	Cemetery	68.52.310	($.1125)
	All other junior taxing districts excluding exceptions)		
84.52.010(3)(b) (v)	**Fourteenth**: Metropolitan Park (Created on/after 1/1/02) (Portion not protected under $5.90)	35.61.210	($.50)
84.52.010(3)(b) (vi)	**Fifteenth:**		
	Fire Protection Service Authority (RFA)	52.26.140(1)(b)	($.50)
	Fire District	52.16.140	($.50)
	RFA	52.26.140(1)(c)	($.50)
	Fire District	52.16.160	($.50)
84.52.010(3)b) (vii)	**Sixteenth**:		
	Fire Protection Service Authority	52.26.140(1)(a)	($.50)
	Fire District	52.16.130	($.50)
	Library	27.12.050 & 27.12.150	($.50)
	Hospital	70.44.060(6)	($.50)
	Metropolitan Park (Created before 1/1/02)	35.61.210	($.50)
84.52.010(3)(a)	**Seventeenth**:		
	County Current Expense	84.52.043(1)(b)	($1.80)
	County Road	84.52.043(1)(c)	($2.25)
	City	84.52.043(1)(d)	($3.375)
	Regional Transit Authority	81.104.175	($0.25)
	County – Dissolved Special Purpose Levy	84.55.135	(varies)
84.52.010(3)(a)	**Eightteenth**:		
	State Levy Part 1	84.52.065	(local rate)
	State Levy Part 2	84.52.065	(local rate)

Levies not subject to the 1 percent constitutional Limit: Ports, Public Utility Districts and voter approved excess levies.

Constitutional 1% Example: The personal property ratio is 90.4 percent, and the real property ratio is 97.5 percent. In this example, we already calculated the $5.90 limit which resulted in the following rates:

District	Levy Rate
State School Part 1	$ 3.0700
State School Part 2	$ 0.8800
County Current Expense	$ 1.7800
County Road	$ 2.2400
Fire District	$ 1.0239*
Library	$ 0.5000
EMS	$ 0.5000
Cemetery	$ 0.0000**
Hospital	$ 0.5000***
Conservation Futures	$ 0.0625
Total	$10.5564

- *Fire district protected the $0.1439 rate that exceeded the $5.90 limitation.
- **Rate eliminated due to the $5.90 limitation.
- ***Hospital's rate was reduced by $0.0500 due to the $5.90 limitation.

The test to determine if the 1 percent limit has been exceeded is to ascertain the effective rate. To do this, divide $10 by the higher of the real or personal property ratio.

$10.00/.975 = $10.2564 Effective Rate

This rate is 1 percent of market value. While this rate is over 1 percent of assessed value, it is a valid rate. This rate ensures that no one is paying more than 100 percent of market value. Since the effective rate is $10.2564, the 1 percent limit has been exceeded by $0.3000 ($10.5564 – $10.2564 = $0.3000). The excess $0.3000 needs to be eliminated. The prorating follows:

DISTRICT	ORIGINAL RATE	PRORATED RATE
State School Levy Part 1	$3.0700	$3.0700
State School Levy Part 2	0.8800	0.8800
County General Levy	1.7800	1.7800
County Road Levy	2.2400	2.2400
Fire Protection	1.0239	.8800*
Library	.5000	.5000
EMS	.5000	.3810*
Cemetery	.0000	.0000

Hospital	0.5000	0.5000
Conservation Futures	.0625	.0253*
Totals	$10.5564	$10.2563**

*$.3000 needs to be eliminated. (The "protected" $0.1439 fire district levy, and a portion from the Conservation Futures Levy and Emergency Medical Service's is eliminated.)

**This rate is 1 percent of market value. Although this rate is over 1 percent of assessed value, it is a valid rate.

The "protected" fire district levy ($0.1439) is eliminated in the third level of proration. The next levies to be reduced is the Conservation Futures levy and EMS levy at the eighth level. Since these levies are in the same level of protection, the rates must be reduced in the same proportion.

An example of how levies share in reductions when there are two or more levies at the same priority level is demonstrated in Chapter 6.5. These proportional reductions are also referred to as prorationing.

The Department of Revenue has developed the Prorationing Worksheet for the 1% Constitutional Limit (REV 64 0096) to help with these calculations.

CHAPTER 5 – Taxing Districts

RCW 84.04.120, Taxing District, states:

> *"Taxing district" means and include 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.*

RCW 84.52.050, Limitation of Levies, states in part:

> *"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."*

RCW 84.69.010, Refunds, states:

> *"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."*

5.1 Senior Taxing District

WAC 458-19-005 defines "Senior Taxing District" as the state (for support of common schools), a county, a county road district, a city, or a town.

RCW 84.52.043(1) gives us the best statutory definition of senior taxing districts in the following discussion:

> *"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 shall be 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 dollars of assessed value; (c) the levy by any road district may not exceed two dollars and 25 cents per $1,000 dollars of assessed value; and (d) the levy by any city or town may not exceed three dollars and 37.5 cents per $1,000 dollars 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 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 $1,000 dollars of assessed value, and no other taxing district has its levy reduced as a result of the increased county levy.

5.2 Junior Taxing District

RCW 84.52.043(2) Limitations upon Regular Property Tax Levies, in pertinent part, defines junior taxing districts as:

> *"...The term 'junior taxing districts' includes all taxing districts other than the state, counties, road districts, cities, towns, port districts, and public utility districts."*

Senior/junior taxing districts include the following:

Fire Districts

Regional Fire Protection Service Authorities

Hospital Districts

Library Districts

Metropolitan Park Districts

5.3 Joint Taxing District

WAC 458-19-005 defines a “joint taxing district” as a taxing district that exists in two or more counties, but the term does not include the state nor does it include an intercounty rural library district.

These districts are also known as intercounty or split districts. In order to achieve uniform levy rates in the district, one county should be in charge of calculating the levy rate. Usually, the county with the highest assessed value and/or the county with the district’s headquarters calculates the levy rate (WAC 458-19-010).

When calculating the increase in levy capacity due to state assessed utility value for joint taxing districts, be sure to compare the current year’s total state assessed utility value of the district to the prior year’s total state assessed utility value of the district to determine if there is an increase in assessment. Do not compare the state assessed utility value per county, and then sum the individual differences for an increase or decrease in utility value for the district.

For more information, please see the index under specific districts.

5.4 Local Improvement District

These are districts set up for sewer improvement, water systems, roads, lighting, etc. The county legislative authority or a special district board of commissioners will administer the district.

RCW 84.34.310(4) defines Local Improvement District

5.5 Benefit Assessment District

Assessment districts are formed to provide a specific service or benefit to lands contained within their boundaries. They are empowered to levy an assessment to fund district operations or to fund projects that fulfill the purpose for which the district was formed. Benefit assessment districts are taxing districts whose charges are based on benefit rather than value.

RCW 84.34.310 (6) defines Special Benefit Assessments.

5.6 Agreements Between Taxing Districts

RCW 39.67.010, Agreements Contingent on Property Tax Levy--Authorized,

5.7 Transfer of Funds Between Districts

RCW 39.67.020 Transfer of funds between taxing districts

5.8 Taxing District Boundaries

RCW 84.09.030 Taxing district boundaries--Establishment.

RCW 84.09.037 School district boundary changes.

RCW 84.40.090 Taxing districts to be designated -- Separate assessments. When real and personal property is assessable in several taxing districts, the assessor must determine the amount of assessment located within each taxing district. The exception to this statute is RCW 81.104.175, for regional transit authorities. The regional transit authority property tax can only be imposed on property that is located wholly within the boundaries of the district.

5.9 Taxing District Budget Certification to the County Legislative Authority and County Legislative Authority Levy Certification to the Assessor

Most taxing districts must certify budgets or estimates of the amounts to be raised through property tax to the county legislative authority on or before November 30th. The county legislative authority is then required to certify those requests to the county assessor on or before the first Monday in December. The county legislative authority must certfy the levy request amounts for county purposes to the county assessor on or before December 15.

Cities with a population of 300,000 or more and any other district authorized to certify their levy request amount directly to the county assessor must do so on or before November 30.

To assist the taxing districts in completing their certification requirement, the Department of Revenue has created a Levy Certification form that taxing districts may choose to use when certifying their request to the county legislative authority.

If the certification is made to the county assessor after the appropropiate certification dates of November 30, first Monday in December, or December 15, and the county assessor has certified both locally assessed and state assessed utility values, for the current assessment year, to the taxing districts at least 12 business days before November 30, the county assessor does not have the authority to levy in excess of the district's prior year's request certified by the county legislative authority. This language essentially places a consequence on the amount that can be levied for a taxing district when the certifications to the county assessor is not made timely.

Prior to the levy consequence being added to RCW 84.52.070(3) in 1988, the Attorney General's Office wrote AGLO 1976 No. 70 stating that the certification deadlines are directory rather than mandatory. In other words the tasks must be completed, even if it is after the dates specified in statute. It wasn't until 1988 when the Legislature added the levy consequence language making the deadline dates a mandatory date rather than a discretionary date.

The levy consequence only applies when the county assessor has completed their work timely and the county legislative authority or taxing district who certifies their request directly to the county assessor has not. If the county assessor does not complete their certification of assessments timely, this does not relieve the county legislative authority from certifying the levy requests to the county assessor on or before the first Monday in December and December 15, or November 30 for districts who certify their requests directly to the county assessor. It simply means there are no consequences when the certifications are made after the appropriate dates.

If no certification is made by a taxing district that has authority to levy directly to the county assessor or on behalf of a taxing district by the county legislative authority the assessor does not have the authority to levy any property taxes for that taxing district.

Statutory deadlines exist to provide a timely, orderly process for property taxation. When the certification deadlines are missed there is a greater chance of the county assessor missing their deadline to certify the tax roll to the county treasurer on January 15. The January 15 deadline is also at risk when the certification deadlines are missed and a taxpayer appeals a taxing district's levy (RCW 84.08.140) once the county legislative authority have certified the levy requests as these appeals can be made as late as 10 days after the levy certification is completed.

RCW 84.52.020 City and district budgets to be filed with county legislative authority.

RCW 84.55.120 Taxing district's revenue sources.

RCW 84.52.070 Certification of levies to assessor

RCW 84.52.050 References taxing districts are either authorized to levy on their own behalf or have property taxes levied for them.

CHAPTER 6 – Levy Issues

6.1 District Boundary Changes & Levies

When district boundaries are created or changed, a major issue for all parties, including the assessor, is which boundaries are in effect for the next levy to be imposed. There are specific deadlines for the setting of district boundaries to be used in deciding which properties are subject to a district's levy.

Usually, this issue depends on when the new boundaries are established. Boundaries are considered established when the final step is taken to complete the district's process of change. For instance, when using the annexation petition method, the final step in annexation of an unincorporated area to a city might be the city council passing an ordinance. The Department considers the boundaries established when city council passes that ordnance.

If the annexation process were completed and boundaries "established" by the statutory deadline in 2021, the 2021 levy for calculations would include the newly annexed property for the 2022 tax year. If the deadlines for establishing boundaries are not met in 2021, the property tax levy would not use the new boundaries until the 2022 levy is calculated for collection in 2023. RCW 84.09.030 controls how boundary changes affect district levies. It is reprinted in full in our earlier discussion of boundary changes in Chapter 2.9.

6.2 Boundary Changes and the Levy Limit Calculation

Annexations (RCW 84.55.030)

The act of a taxing district taking in part of another taxing district.

To calculate the levy limit in the first levy year following annexation:

a. Determine the levy limit and the levy rate for the annexing district based on the levy limit amount, as though no annexation had occurred. This amount and rate could exceed the district's statutory maximum levy amount and rate. If it does, do not reduce the rate at this point of the process as RCW 84.55.030 is not addressing the statutory maximum levy rate for the levy. Rather, it is authorizing the use of a levy rate that would have been used for the levy limit without consideration of the annexation.

b. Multiply the current year's assessed value of the annexed area of district by the levy rate, as described in "a", of the annexing district.

c. Add these amounts ("a" + "b") to arrive at the levy limit for the entire district.

See WAC 458-19-035 for an example.

Annexations	**Consolidations/Mergers**	**Newly formed taxing districts**
*Rate set by parent district levy limit calculation Most beneficial when higher rate annexes lower rate Example: Dist. #1 Levy = $1.50 Dist. #2 Levy = $.50	*Combines highest lawful levy from previous 3 years plus additional revenue from new construction, improvements, newly constructed wind turbines, and increases is state-assessed property.* Highest lawful levy (*last 3 years*): District #1 + District #2 = Total Highest Lawful Levy *Additional Revenue District #1 + District #2 = Total Additional Revenue	*Statutory Rate. The levy limit does not apply the 1st year.
If Dist #1 Annexes #2 New Rate = $1.50	Total Highest Lawful Levy x Limit Factor + Total Additional Revenue = New Levy Limit	
If Dist. #2 Annexes #1 New Rate = $.50	Example: Dist. #1 Highest Lawful Levy =$10,000 Dist. #2 Highest Lawful Levy =$20,000 $30,000 Dist. #1 Additional Revenue = $1,000 Dist. #2 Additional Revenue = $1,500 $2,500 Limit Factor 101%	
	$30,000 x 1.01 = $30,300 + $2,500 = $32,800 New Levy Limit for Consolidated/ Merged District	

Consolidations (RCW 84.55.020)

Consolidation is combining two or more similar taxing districts into one taxing district, where each consolidating district loses its identity.

The first regular property tax levy a taxing district makes after consolidation of two or more districts shall not exceed:

a. The limit factor multiplied by the sum of the highest regular property tax amount levied by each of the component districts in the three most recent years in which such taxes were levied;

b. Plus the sum of each of the amounts resulting from multiplying the increase in the addition of new construction and improvements to property, newly constructed wind turbines, solar, biomass, geothermal facilities, if the facility is not state assessed, and any increase in the value of state-assessed property, in each of the component districts in the preceding year by the regular property tax rate for each district in the preceding year.

See WAC 458-19-030.

Mergers (See specific RCW for type of taxing district.)

A merger is the combining of two districts into one district, where each original district retains its own financial obligations and board of commissioners for a period of time. RCW 52.06.010 defines the merging district as the district desiring to merge with another district. The district into which the merger is to be made is called the merger district. In other words, the merging district goes away, the merger district stays alive. The levy limit calculation is the same as the calculation for consolidations.

Newly formed taxing districts (RCW 84.55.035)

The levy limit calculation does not apply to the first levy after formation of a new taxing district. Only statutory rate and certified levy request would apply.

See WAC 458-19-040.

RCW 52.04.161 provides that newly incorporated cities and towns located in one or more fire districts are considered annexed into the fire district(s) for the remainder of the year. Annexation can be continued one more year by the city or town council and the fire district board(s). After that time, the annexation to one or more fire districts must be adopted by the voters of the city or town and the fire protection district.

6.3 Annexations

The process for formation, annexation, or reduction of taxing districts is almost always unique for each kind of district. Who will provide critical services and funding during transition periods may be clearly specified in the law. However, at times, which district can levy a property tax for areas in transition is not obvious unless you carefully examine all statutes. While the Department will advise on the property tax aspects of these issues, the assessor and district officials should consult their legal counsel to get the complete answers about these changes and the proper legal steps along the way. We provide links to relevant statutes and some narrative for frequently discussed annexations below.

6.3.1 Annexation by Cities

See chapter 35.13 RCW. Annexation of Unincorporated Areas (By Cities)

See chapter 35A.14 RCW. Annexation by Code Cities

6.3.2 Annexation By City to Library

RCW 27.12.360	Annexation of city or town into rural county library district, island library district, or intercounty rural library district--Initiation procedure.
RCW 27.12.370	Annexation of city or town into library district--Special election procedure.
RCW 27.12.380	Annexation of city or town into library district--Withdrawal of annexed city or town.
RCW 27.12.390	Annexation of city or town into library district--Tax levies.
RCW 27.12.395	Annexation of city or town into library district--Assumption of liabilities.

6.3.3 Annexation By City to Fire Protection District

RCW 52.04.061	Annexation of contiguous city or town--Procedure.
RCW 52.04.071	Annexation of contiguous city or town--Election.
RCW 52.04.081	Annexation of contiguous city or town--Annual tax levies--Limitations.

6.3.4 Annexation By Port District

Port districts that are less than countywide, are located in a county with a population of less than 90 thousand, and are located in either the I-5 or I-90 corridors, may annex area by petition in certain circumstances. The area to be annexed must be contiguous to the port boundaries, may not be located within the boundaries of any other port district, and may not contain any registered voters.

RCW 53.04.150	Alternative annexation methods -- Petition for resolution -- Districts authorized to use -- Petition requirements.
RCW 53.04.180	Alternative annexation methods -- Annexation by written consent--Districts authorized to use -- Resolution.

6.4 Road Levy Shift

Washington law allows county governments to collect several separate property tax levies. The most common are through the county general levy and road levy. The county general levy is limited to collecting no more than $1.80 per $1,000 of assessed value for the general operating budget of county government. The road levy is limited to collecting no more than $2.25 per $1,000 of assessed value to be used for "proper county road purposes." (See RCW 36.82.020.) At the option of the county legislative authority, some of the levy capacity of the road levy may be shifted to increase the county general levy. RCW 84.52.043 allows the shift between these two levies to take place if after the shift the county general levy does not exceed $2.475 per $1,000 of assessed value (the corresponding Road Fund Levy would be $1.575) with the combined county general levy and road levy rates not exceeding $4.05 per $1,000 of assessed value. Also, this shift cannot harm any other taxing district, i.e., another levy lose levying

capacity, because of the shift. This shift enables the general operating budget of a county to receive additional operating revenues without increasing the total amount of property tax the county is entitled to receive. Funds are just shifted from the road levy to the county general levy. Both funds are restricted by the six property tax limitations: (1) the certified levy request approved by the county legislative authority or taxing district's governing authority; (2) the amount authorized by the resolution/ordinance; (3) the levy limit; (4) the statutory rate limitation; (5) the aggregate rate limitation (the $5.90 limitation); and (6) the constitutional 1 percent limitation.

The road fund shift works like this:

The county legislative authority determines a need to shift levying capacity from the road levy to the county general levy and adopts the following:

- A levy certification for the road levy that includes the amount of funds it will shift to the county general levy.
- A levy certification for the county general levy that does not reflect the funds that it will shift to this levy.
- A statement identifying the amount of funds it will shift from the road levy to the county general levy.

The assessor's office completes the levy limit calculations for the county general levy and the road levy, without taking into consideration the amount of funds the road levy will shift to the county general levy for the current levy year. Once the lesser of the levy limitations is determined for the two levies, the shifting of funds occurs. The funds that originally would have gone to the road levy are shifted to the county general levy (in the amount approved by the county legislative authority.) Regardless of the amount shifted, the total amount levied for both funds cannot exceed the combined total of the two districts as calculated under the levy limit.

The new county general levy amount is then divided by the assessed value of all taxable property in the county to determine the county general levy rate. If this is more than $2.475 per $1,000 of assessed value, the county general levy is reduced until $2.475 is reached. Then the road levy is divided by the assessed value of all taxable property in the road district to determine the road levy rate. If the combined levy rate for both districts is at or below $4.05, the shift progresses to the next limitation check. If not, the county general levy is reduced until the combined levy rate is $4.05 or less.

The next limit is the aggregate rate limit. The appropriate levy rates are combined to determine if the total or aggregate exceeds $5.90. When performing a road levy shift, this limitation would adversely affect only tax code areas with incorporated cities. If the combined aggregate levy rate is above $5.90, the road fund shift cannot take place until the county general levy is reduced so that the total is $5.90 or less or another district's levy is bought down. However, if the aggregate rate is at or below $5.90, the shift progresses to the final limitation check.

The final limit is the constitutional 1 percent limitation. If the total of the applicable levy rates is within the 1 percent limitation calculation, the road levy shift can take place and the county general levy can receive the shifted funds allowed under the law. If the calculation exceeds the 1 percent limitation, the shift cannot take place until the county general levy is reduced so the combined levy rates are within the 1 percent limitation or another district's levy rate is bought

down.

For each year, the original levy amounts (that is, the amount before the Road Levy Shift takes place) are calculated for both the county general fund and the road levy and used for the levy limit calculation. The original levy amounts of each district are tracked and recorded so that before each shift takes place, and when the road levy shift ends, the basis for each district's original levy amount is available.

Examples (The County does not have a local tax increment finance area)

County General Levy:

Step 1	Multiply:	Highest allowable levy since 1985	$ 1,292,080
		x 1.01 to increase by 1%	x 1.01
	Product		$ 1,305,000
Step 2	Add:	New construction, improvements, newly constructed wind turbines x last year's levy rate* ($50,000,000 x $1.75 ÷ $1,000 AV)	87,500
Step 3	Add:	Increase in State Assessed Property x last year's levy rate* ($50,000,000 x $1.75 ÷ $1,000 AV)	87,500
	Total allowable under the levy limitation		**$ 1,480,000**

$1,480,000 ÷ $930,800,000 (AV) = $1.59 per $1,000 of AV

Road District:

Step 1	Multiply:	Highest allowable levy since 1985	$ 1,663,366
		x 1.01 to increase by 1%	x 1.01
	Product		$ 1,680,000
Step 2	Add:	New construction, improvements, newly constructed wind turbines x last year's levy rate* ($40,000,000 x $2.15 ÷ $1,000 AV)	86,000
Step 3	Add:	Increase in state-assessed property x last year's levy rate* ($40,000,000 x $2.15 ÷ $1,000 AV)	86,000
	Total allowable under the levy limitation		**$ 1,852,000**

$1,852,000 ÷ $867,500,000 (AV) = $2.13 per $1,000 of AV

***Last year's levy rate is the district's prior year's certified levy rate, unless that rate included a levy error or levy error correction. If it included a levy error or levy error correction use the rate that would have been levied without the levy error or levy error correction.**

NOTE: It is assumed in the above example that the appropriate resolutions have been passed to allow a 1 percent increase in the levy limit calculation of each district.

The county legislative authority decides to shift $250,000 from the road levy to the county general levy:

Road Levy	$1,852,000 – $250,000 = $1,602,000
County General Levy	$1,480,000 + $250,000 = $1,730,000

COUNTY LEVIES	Before Road Levy Shift	After Road Levy Shift
Road Levy	$1,852,000	$1,602,000
General Levy	$1,480,000	$1,730,000
Combined Levy Limit	$3,332,000	$3,332,000

The combined levy limitation has not been exceeded.

The levy rates after the shift are:

Road Levy	$1,602,000 ÷ $867,500,000 (AV) = $1.85 per $1,000 of AV
County General Levy	$1,730,000 ÷ $930,800,000 (AV) = $1.86 per $1,000 of AV

COUNTY LEVY RATES	Before Road Levy Shift	After Road Levy Shift
Road Levy	2.13	1.85
County General Levy	1.59	1.86
Total	3.72	3.71

TOTAL LEVY RATES	Before Road Levy Shift	After Road Levy Shift
County General Levy	$1.59	$1.86
City	3.10	3.10
Hospital	.48	.48
Library	.46	.46
Total	$5.63	$5.90

If the total levy exceeds the $5.90 limit, the road levy shift must be reduced or eliminated, or another district's levy must be bought down. A road levy shift cannot cause prorating.

If, for instance, the county general levy rate in the above example was $1.90, the road levy shift would have to be eliminated or the county general levy reduced to 1.86 so the $5.90 limit on regular levies would not be exceeded.

However, RCW 39.67.010 and 39.67.020 allow taxing districts to contract with one another to "buy down" the levy rate. In other words, the county could enter into a contract with a city to reduce its levy rate by $.04, thereby allowing its full road levy shift. The county would then pay the city an amount equal to the reduction of the city's levy multiplied by the city's assessed value.

To follow through with our example:

County Value	$930,800,000
City Value	$102,000,000

County	$1.90
City	3.06
Hospital	.48
Library	.46
Total	$5.90

County pays the city $.04 times $102,000,000 AV or $4,080 to levy the $.04 countywide $930,800,000 x $.04 = $37,292 less $4,080 paid to the city, nets the county $33,152.

Road levy shifts are decided on an annual basis. Continuing with our example, in the following year, the levy limit is calculated for both the county general levy and the road levy using the highest lawful levy for each district as though the road levy shift had not occurred. In other

words, the original levy amounts (prior to the shift) are used in determining the highest lawful levy for the district.

Amounts are added for new construction, improvements to property, newly constructed wind turbines, solar, biomass, geothermal facilities, if not state assessed, any increase in the value of a local tax increment finance area, and increases in state-assessed value. The amount to be added is calculated using the actual rate from the previous year. There is no provision to use a rate other than the actual rate, so the rate calculated after the shift is applied to the assessed value of new construction and improvements to property, newly constructed wind turbines, solar, biomass, geothermal facilities, if the facility is not state assessed, any increase in the value of a local tax increment finance area, and the increase in value of state-assessed property.

6.5 Proration of multiple levies at a the same priority level

"Proration" is commonly used to describe the process of reduction of levies to comply with either the $5.90 limit or the 1- percent limit. It is also used to describe the more specific situation that occurs when one or more junior taxing districts have the same statutory right to levy for taxes at a particular priority level. When two or more levies have the same priority at the level that reductions must be made, they share in the reduction. The assessor determines a factor and then applies it to the levy rates so the competing levy rates are reduced proportionately.

Proration for the $5.90 Limit

Proration begins with the limitation and reduction of junior taxing districts in order to stay within the $5.90 limit. The assessor completes this check according to the priorities (pecking order) set in RCW 84.52.010 and steps introduced in Chapter 4.4. The Department of Revenue has developed the Prorationing Worksheet for the $5.90 Aggregate Limit (REV 64 0097) to help in making these calculations.

In the following example, the remaining levy capacity within the $5.90 limitation after level 5 is $0.2000, but you need $0.60 for the levies in level 6. Since the remaining portion of the hospital district's levy and metro park district's levy and cemetery district's levy have the same level of protection, the rates must reduced proportionally. To do this you must calculate a proration factor to apply to the individual levy rates subject to reduction. You will divide the capacity available by the total levy amount needed in that level. At the bottom of the Prorationing Worksheet for the $5.90 Aggregate Limit there is a section that will automatically calculate the prorationing factor needed to reduce the levies in the same level proportionally.

Here's the section of the $5.90 limit worksheet where this calculation is complete:

Proration Factor Calculation					
For level #	4				
Capacity Available / Total in the Level	0.2000	÷	0.6000	=	0.3333

Once you have the prorationing factor, multiple the original levy rate by the prorationing factor to arrive at the final levy rates for this level. DOR's worksheet automatically calculates the protationing factor and final rate.

Prorationing Worksheet for the $5.90 Aggregate Limit

Exceptions: State Levy, Ports, PUDs, Emergency Medical Services, Affordable Housing Districts, Conservation Futures Levies, County Ferry Districts, Criminal Justice, Regional Transit Authority, Transit Levies and Park & Rec levies under RCW 84.52.010(3)(a)(vii).

		Original Rate	$5.90	Final Rate
Level 5	Metro Park created on or after 1/01/02 (up to 50¢)			0.000000000000
	Total Level 5	0.000000000000		0.000000000000
	Remaining Capacity After Level 5		0.200000000000	
Level 4	Hospital District (Remainder of rate after Level 7)	0.250000000000		0.083333333333
	Metro Park (Remainder of rate after Level 5 or 7)*	0.250000000000		0.083333333333
	Cemetery District	0.100000000000		0.033333333333
	Other Junior Taxing Districts (excluding exceptions)			0.000000000000
	Total Level 4	0.600000000000		0.200000000000
	Remaining Capacity After Level 4		0.000000000000	

Using the prorationing factor, you proportionately reduce these three levy rates so they totaled $.0.20, and shared in the $0.40 reduction necessary to get to $5.90.

Proration for the Constitutional 1 percent Limit

Further proration can also be caused by the additional districts added when calculating the 1 percent limit and by a large difference between the real property ratio and the personal property ratio. The higher of the two ratios is used to establish the effective rate. Junior districts are prorated if the effective rate is lower than the combined rate of the districts subject to the 1 percent limit. Complete this limit according to the priorities (RCW 84.52.010 (3)) that have been set. The Department of Revenue has developed the Prorationing Worksheet for the 1% Constitutional Limit (REV 64 0096) to help with these calculations.

In the following example, the remaining levy capacity within the 1% Constitutional Aggregae Limit after level 14 is $0.1750, but you need $0.1999 for the levies in level 13. Since the remaining portion of the hospital district's levy and metro park district's levy and cemetery district's levy have the same level of protection, you must reduce them proportionally. To do this you must calculate a proration factor to apply to the individual levy rates subject to reduction. You will divide the capacity available by the total levy amount needed in that level. At the

bottom of the Constitutional 1% Aggregate Worksheet there is a section that will automatically calculate the prorationing factor needed to reduce the levies in the same level proportionally.

Here's the section of the Constitutional 1 percent limit worksheet where this calculation is completed:

Proration Factor Calculation						
	For Level #	13				
	Capacity Available / Total in the Level	0.017500000000	÷	0.019990000000	=	0.875437718859

Once you have the prorationing factor, multiple the original levy rate by the prorationing factor to arrive at the final levy rates for this level. DOR's worksheet automatically calculates the protationing factor and final rate

Prorationing Worksheet for the 1% Constitutional Limit

Exceptions Ports, Public Utility Districts, and Excess Levies

Calculation of an Effective Rate

			TCA	
	Real Property Ratio	97.5		
	Personal Property Ratio	97.0		
	EffectiveRate ($10 divided by the greater of the real and personal property ratio)		$10.256410256410	
		Original Rate		**Final Rate**
Level 14	Metro Park created on or after 1/01/02 (up to 50¢)			0.000000000000
	(Portion not protected under $5.90)			
	Total Level 14	0.000000000000		0.000000000000
	Remaining Capacity After Level 14		0.175000000000	
Level 13	Hospital District (Remainder of rate after Level 16)	0.083300000000		0.072923961981
	Metro Park (Remainder of rate after Level 14 or 16)	0.083300000000		0.072923961981
	Cemetery District	0.033300000000		0.029152076038
	Other Junior Taxing Districts (excluding exceptions)			0.000000000000
	Total Levy 13	0.199900000000		0.175000000000
	Remaining Capacity After Level 13		0.000000000000	

Using the prorationing factor, you proportinally reduce these three levy rates they total $0.1750 and shared in the $0.1824 reduction necessary to be within the Constitutional 1 percent limitation.

Check to see if these prorated rates have made room to increase the levy for other districts in other tax code areas. Remember that the levy rate must be the same within the entire taxing district.

6.6 TAV (Timber Assessed Value) and Timber Excise Tax Revenues

Background

Under chapter 84.33 RCW, standing timber is exempt from the ad valorem property tax. (NOTE: The land growing timber in the Designated Forest Land program is still taxable as real property. Only the standing timber is exempt.) In place of the property tax, timber harvesters must pay a 5 percent excise tax on the value of the timber at the time they harvest it. For timber harvested on privately owned land, the tax is actually composed of a 4 percent county tax and a 1 percent state tax. For timber harvested on publicly owned land, the tax is composed of a county rate that will increase incrementally each year from 1.2 percent in 2005 to 4 percent in 2014 and thereafter; the state tax rate will be the difference between 5 percent and the county tax rate. The Department of Revenue collects the tax, and distributes the county portion back to the county of origin each quarter after deducting administrative costs. The county treasurer then distributes the revenues to local taxing districts according to a formula prescribed in the law. The assessor uses Timber Assessed Value (TAV) both to determine each taxing district's share of the excise tax revenue and in setting property tax rates.

Timber Assessed Value - TAV

The Timber Assessed Value (TAV) serves the same purpose as the assessed value of other types of property carried on the county assessment rolls. It serves as a substitute for the value the assessor would carry on the assessment roll if timber was still taxable as real property for all bond and special levy calculations.

TAV, County Offices, and Department of Revenue (DOR)

By September 15 of each year, county assessors or county treasurers provide the Forest Tax Section of DOR with the "Composite Property Tax Rate" for their county. Compute the composite property tax rate as follows:

1. Determine the assessed value and acreage of all designated forest land, for each taxing district, in the county for taxes due in the current year (assessed value based on January 1 of past year). Do not include timberland classified under chapter 84.34 RCW. You will use the areage information later in the TAV process.
2. Determine the amount of property tax levied on designated forest land for taxes due in the current year. Be sure to *exclude* the state school levies from this amount.
3. Divide the tax levied by the total assessed forest land value.

The Department of Revenue's Forest Tax Section calculates the county TAV using the following formula specified in 84.33.035(19).

> The value of private timber harvested in the county during the most recent twelve month period multiplied by the county timber excise tax rate of four percent. Divide this figure by the current year's composite property tax rate as applied to all classified and designated forest land under RCW 84.33 within the county, plus the value of timber harvested on publicly owned land in the county during the most recent twelve month period. Then, multiplied by the county timber excise tax rate as specified by RCW

84.33.051, and divided by the current year's composite property tax rate as applied to all classified and designated forest land under RCW 84.33 within the county.

Formula:

$$\text{County TAV} = \begin{cases} \text{Stumpage value of timber harvested on private land} \times \dfrac{\text{County excise tax rate on timber harvested on private land}}{\text{Composite property tax rate}} \\ + \\ \text{Stumpage value of timber harvested on public land} \times \dfrac{\text{County excise tax rate on timber harvested on public land}}{\text{Composite property tax rate}} \end{cases}$$

Example:

$$914{,}477{,}822 = \begin{cases} 150{,}000{,}000 \times \dfrac{4\%}{.00756716} \\ + \\ 23{,}000{,}000 \times \dfrac{4\%}{.00756716} \end{cases}$$

This example uses the 2021 tax rate for timber harvested on public land.

DOR sends the TAV amount to the county assessors and treasurers by October 1 of each year. The county assessor calculates a TAV for each taxing district based on the county TAV amount, the assessed value of designated forest land within each district and the county, the number of acres of public forest land available for timber harvesting in each district and the county, and the average assessed value per acre of privately owned forest land in the county. The formula for calculating a district's TAV is as follows:

$$\text{Taxing District TAV} = \text{County TAV} \times \frac{\left(\text{A.V. of Designated Forest Land in District} + \text{Number of Acres of Public Forest Land Available for Timber Harvesting in District} \times \text{Avg. A.V. Per Acre of Private Forest Land in County}\right)}{\left(\text{A.V. of Designated Forest Land in County} + \text{Number of Acres of Public Forest Land Available for Timber Harvesting in County} \times \text{Avg. A.V. Per Acre of Private Forest Land in County}\right)}$$

The Department will provide estimates of the number of acres of public forest land available for timber harvesting in both the district and the county by August 30 of each year, unless the Department authorizes the county to make their own estimates.

When computing levy rates for bonds and excess levies during the "levy process," the county assessor adds the TAV to the assessed value of the taxing district.

Example: County "X" has a TAV of $914,477,822. (This figure has been supplied by DOR.) Fire District 2 contains 15 percent of the total county forest land and includes both designated forest land and public forest land available for timber harvesting. Therefore, Fire District 2's TAV is $914,477,822 x 15% = $137,171,673. Add this amount to the fire district's locally and state assessed value to determine the total tax base for excess and voted bond levies.

State and Local assessed value:	$10,000,000,000
TAV:	+ 137,171,673
Total tax base:	$10,137,171,673

School Enrichment Levies—A Special Case

The law specifies that for school enrichment levies, the levy calculation shall be based on either 80 percent of calendar year 1983 Timber Roll value, *or* one-half of the school district TAV, whichever is greater. The legislature intended this provision to guarantee school districts would get no less than they received under the old timber tax distribution system, which was based on 1983 calendar year timber roll value. In most cases today, the school levy calculation will use one-half of the TAV.

Distribution

The computed distribution for each taxing district is a target distribution amount. The amount is not guaranteed! Whether all districts actually receive the computed distribution amount will depend upon the amount of timber tax revenue collected for the county. It is possible actual timber tax revenues could be greater or less than the total of all the taxing districts' computed shares. The law anticipates this possibility by prioritizing the tax distributions.

Priority 1: Bond levies and capital project levies (including technology capital project levies). These levies must be satisfied first with payment at a rate of 100 percent of the computed amount.

Priority 2: School enrichment levies and transportation vehicle fund levies. These levies must be satisfied with payment at a rate of 50 percent of the computed amount. Although transportation vehicle fund levies are calculated using 100 percent of the district's timber assessed value, the distribution of timber excise tax for transportation vehicle fund levies is in priority two.

Priority 3: Administrative bond levies and other special (*not school*) levies. These levies are allotted at a rate of 100 percent prorated among all levies listed. If the tax revenues exceed the calculated shares, and all priorities are paid in full, the excess funds shall be placed in a reserve account. The maximum amount allowed in reserve is 20 percent of the total distribution for all three priorities. The reserve account revenue is distributed in first quarter of the following year. After the reservice account is paid in full, any surplus revnue can be distributed to Priority 3 in proportion to each district's share of the total distribution. Remember, if tax revenues are less than the targeted amount, Priority 3 levies are the ones to be shorted (See Forest Excise Tax Distribution Breakdown below).

Forest Excise Tax Distribution Break-down

Tax revenues from timber harvested on private land go to both the state and county governments. The tax rate is actually composed of two taxes—a county timber tax rate of 4 percent and a state tax of 1 percent. The county tax revenue is distributed among local taxing districts within the county including the county road fund, county current expense fund, local school districts, libraries, and fire districts. The state's share of the tax goes to the state General Fund and is used to help support various state programs including schools and social services. Tax revenue from public timber harvest also goes to the state General Fund—none to local government.

Windfalls or shortfalls will alter the distribution schedule. In the case of a windfall, any additional funds remaining after Priority 1, 2, and 3 needs have been satisfied and the reserve fund for the following year has been established shall be prorated among the Priority 3 taxing districts. In the case of a shortfall, sufficient funds may not be received to fully satisfy all three priorities and/or the reserve fund. As indicated by the titles, Priority 1 must be fully satisfied completely first. Secondly, Priority 2 must be completely satisfied. Then any remaining funds may be distributed to Priority 3 and the reserve fund established.

If you have any questions, call the Department of Revenue, Forest Tax Division at (360) 534-1324.

Timeline/Calendar Year for Forest Excise Tax Revenues

February 28 (Last working day)	1st Quarter timber tax revenue distribution to counties.
May 29 (Last working day)	2nd Quarter timber tax revenue distribution to counties
August 20	Letters from DOR-Forest Tax to assessors/treasurers requesting Composite Property Tax Rate for TAV calculation due September 15.
August 31 (Last working day)	3rd Quarter timber tax revenue distribution to counties.
September 15	Composite Property Tax Rate for TAV calculation due to DOR Forest Tax.
October 1	New TAV calculation and worksheets for TAV distribution due to counties from DOR Forest Tax.
November 30 (Last working day)	4th Quarter timber tax revenue distribution to counties

6.7 Refunds and Refund Levies

Taxing districts may request a refund levy be included within the levy calculations. To do this, they must include the amount of refund levy they desire in their levy certification to the county legislative authority or county assessor. Although the refund levy is outside of the levy limit (aka 101 percent growth limit) calculation, the levy rate cannot exceed the statutory maximum rate for the taxing district.

A taxing district may levy for refunds paid to taxpayers, or to be paid to taxpayers, including interest, plus an amount for abated or cancelled taxes, offset by any supplemental tax as collected under Title 84.

Here are answers to the most frequently asked questions about refunds. For more information on refund levies, please see WAC **458-19-085**.

Q. ***Is there more than one kind of refund?***

A. Yes, there are administrative refunds authorized by RCW 84.69.020 and refunds of taxes recoverable by judgment as authorized by chapter 84.68 RCW.

Q. ***What is a "Refund Fund"?***

A. RCW 84.68.030 and 84.68.040 provide for the creation and maintenance of a fund within the county treasury known as the "Refund Fund." This fund is to be used to refund to taxpayers the amount of all taxes recoverable by judgments rendered against the county within the preceding 12 months, including legal interest and a proper share of the costs, where allowed by the judgment.

Q. ***Can the "Refund Fund" levy exceed the statutory rate limit?***

A. No. Any refund fund levy must be contained within the maximum dollar law authorizes for any taxing district. When an assessor makes a refund fund levy, it takes precedence over all other tax levies for county and/or taxing district purposes.

Example: The statutory rate for expense fire district is $1.50/$1,000. If the refund fund levy amounted to $.10/$1,000, then only $1.40/$1,000 would remain for fire district's general levy.

Q. ***Is a refund levy subject to the levy limit?***

A. No. RCW 84.55.070 specifically excludes refund levies from the levy limitation.

Example: If the fire district levy, as limited by the levy limit, is $1.30/$1,000 and the Refund Fund levy amounted to $.10/$1,000, and then the $.10 is added to the $1.30, making a levy of $1.40/$1,000 for that year only.

Q. ***Can a refund levy be invoked without a refund being paid or anticipated being paid?***

A. No. RCW 84.68.030 states a judgment must be entered.

Q. ***From what date is the applicable interest payable under chapter 84.68 RCW?***

Interest is due from the date of tax payment.

Q. ***From what date is the applicable interest payable under chapter 84.69 RCW?***

A. For administrative refunds, RCW 84.69.100 applies. This statute states that interest is due from the Date of Collection (payment) of the taxes. Calculation is shown in the example below.

Q. ***What is the applicable interest rate for Property Tax Refund?***

A. The interest rate is established under RCW 84.69.100. The basis for interest and treasury bill auction rates is published annually in WAC 458-18-220.

1. For refunds under chapter 84.68 RCW, the rate will be determined using the date the taxes were paid.
2. For refunds under chapter 84.69 RCW, the rate will be determined from the date of collection (payment) of the taxes.

Example: $548 dollars in taxes was paid October 30, 2020, and it was refunded April 30, 2021. The interest would be calculated as follows:

Amount of Taxes Refunded		Interest Rate*		Number of Months**/12		Amount of Interest (AOI)
$548	x	0.165%*	x	6/12**	=	AOI
$548	x	.00165	x	.5	=	AOI
$548	x	. .000825			=	$0.45

*Interest rate in accordance with RCW 84.69.100 as published in WAC 458-18-220.

**Number of months from payment of tax until refund is paid (/) divided by 12 months.

Q. ***Can the interest be included in the refund fund levy amount?***

A. Yes. RCW 84.68.040 states the refund levy may include interest.

Q. ***When a refund is ordered, what amount will each district pay back?***

A. If the old assessed value for a district was $150,000 and the new assessed value for that district is $100,000, the calculation would be as follows:

Old Assessed Value		New Assessed		Levy Rate	=	Refund Amount
$150,000	-	$100,000	x	.10	=	$5

Q. ***How will a refund levy rate for each district be calculated?***

A. If the amount of refund in a district is $150,000 and the assessed value in the district is $1,500,000, the rate calculation would be as follows:

Amount of Refund to be Paid by the District	Assessed Value	=	Levy Rate
$150,000	$1,500,000	=	.10

Q. ***How will counties determine if any refund amount will reduce current operating funds of a district?***

A. The refund levy will have to be measured against applicable limits. For example:

Given a library district with a $.50 statutory levy and an assessed value of $220,000, here are a couple of scenarios on what you might expect:

If the amount to be repaid by the district is $10,000:

Levy Limit Calculation = $100,000

Refund + 10,000

$110,000 / $220,000 = $.50*

* This is the total amount needed divided by the assessed value which equals the new rate including the refund levy.

If the amount to be repaid by the district is $20,000:

Levy Limit Calculation	=	$100,000
Refund		+ 20,000
		$120,000 / $220,000 = $.54545**

** This total is over the statutory levy amount ($.50). Therefore, the district's levy would be reduced by $.04545. This amount (.04545 x 220,000 = $10,000) would reduce the $100,000 budget of the district before the refund was made to $90,000. The total amount collected would then again be $110,000, but the amount the district would get would be $90,000 not $100,000.

Q. ***What do you do with any money left in the Refund Fund after the refund has been paid?***

A. The money can be retained in the fund as authorized by RCW 84.68.030.

Q. ***Can a county pay the total amount of a refund involving other taxing districts?***

A. No. RCW 84.69.080 states, "Neither any county nor its officers shall refund amounts on behalf of a taxing district from county funds."

Q. ***If a district is ordered to pay an adjudicated refund and they already have the funds to pay it, do they still have to levy for it?***

A. Yes. A district may have the county treasurer transfer money from funds already available into the Refund Fund so it can pay the adjudicated refund, but the district must still levy for it the following year. When the amount of the refund is added to the following year's levy and tax revenues are received by the county treasurer, the treasurer should deposit the tax revenues attributable to the refund back into the original source.

Q. ***Can a taxing district levy a refund levy when the reduced property tax did not actually result in a refund to the taxpayer?***

A. Yes. RCW 84.69.180 authorizes taxing districts, other than the state, to levy for refunds and abatements. The refund levy covers refunds paid or to be paid, plus taxes abated or canceled that did not result in a refund to the taxpayer, offset by any supplemental taxes collected within the preceding 12 months. If the taxpayer paid the tax more than once or the refund was due to highly valued disputed property appeal, those refund amounts are not part of the refund levy calculation.

Q. ***If a district is ordered to pay an administrative refund and they already have the funds to pay it, do they still have to levy for it?***

A. No. A district may choose whether to add administrative refunds to the following year's property tax levy. If a district chooses to do so, they must contact the county treasurer to obtain the refund amounts and also notify the assessor as to their intent to levy for them.

Q. ***Under what chapter are refunds authorized for special assessments?***

A. Chapter 84.69 RCW. This is because RCW 84.69.020 applies only to "ad valorem taxes," and a special assessment should not be an ad valorem tax because the market value of the property generally does not equate to the value received by the property from the special assessment district.

6.8 Diverting Road Funds

During the budget-setting process, the county legislative authority may divert funds obtained by the general road levy for current expense account purposes. The funds must be placed in a separate and identifiable account within the county current expense fund. Diverting road funds does not affect the levy limit or the levy rate for the county general levy or road levy because funds are diverted after the levies have been set. Because the county general levy is not adding the amount of the diversion to its levy, the funds from the diversion can be used only for services provided in the unincorporated area of the county.

RCW 36.82.040 General tax levy for road fund -- Exceptions.

RCW 36.33.220 County road property tax revenues, expenditure for services authorized.

6.9 Disputed Highly Valued Property

When a taxpayer disputes their assessed value and the difference between the assessor's estimate of value and the taxpayer's estimate of value is greater than ¼ of 1 percent (0.0025) of the total assessed value of the county (including state assessed value), and the assessment appeal is either at the State Board of Tax Appelas or higher court, only the undisputed value is used to calculate the levy rates for the affected taxing districts.

RCW 84.52.018 Calculation of tax levy rates when the assessment of highly valued property is in dispute.

When the valuation dispute is settled, if there is additional value added to the assessment rolls, the additional tax due is calculated using the actual levy rate paid by other taxpayers. In addition to the property tax that should have been paid on the disputed value that is added back onto the assessment roll, RCW 84.52.018 requires 9 percent interest be added as of May 1 of the year the tax would have been due if not in dispute until the day the valuation determination is made.

If additional value is added to the assessment rolls, the county assessor must review the levy limitations for the year the assessment was removed from the levy process. If a taxing district lost levying capacity because of the removal of the disputed value, when the additional tax is paid it is given to the taxing district to make it whole. If the additional tax is over and above the amount the district was entitled to levy, the additional tax is held in abeyance and used to reduce the levy rate of the taxing district's next levy.

The following example illustrates the basic process for calculating levies when there is a value dispute that qualifies under RCW 84.52.018.

Assessor's original assessed value:	$80,000,000
Taxpayer's estimate of assessed value:	65,000,000
Value in dispute at BTA or higher court:	$15,000,000
Total county assessed value:	$5,000,000,000
Percentage of county assessed value in dispute:	.30% (0.0030)

This dispute qualifies under RCW 84.52.018.

The county assessor must calculate the levy limitations excluding the assessment in dispute. The following table displays the four levy limitation amounts, at the district level, based on the district's assessed value, without the assessment in dispute, $185,000,000. The lesser of the limitations is the statutory maximum rate limit at $1.00 per $1,000 assessed value.

District's Certified Levy Request	$190,000
Levy Limit (aka 101% growth)	$192,000
Resolution authorizing an increase over the prior year's levy	$192,000
Statutory Maximum Levy Rate Limit	$185,000

Following the certification of the above levy calculations either the BTA or higher court, issues a ruling stating the value of property in question is $75,000,000. This is less than the county assessor's original valuation, but more than the taxpayer's opinion of value. The county assessor will add the additional $10,000,000 to the appropriate assessment roll.

The county treasurer will now issue a new property tax statement, in the amount of $10,000, to the taxpayer based on the assessment increase of $10,000,000 that was excluded from the original levy calculations and the levy rate of $1.00 per $1,000 assessed value for this sample taxing district. The new bill will also include interest at the rate of nine percent per year on the amount of the final determination minus the amount not in controversy. The interest accrues from the date the taxes on the amount not in controversy were first due and payable.

The county assessor must now recalculate the levy limitations for the taxing districts involved in the assessment dispute to see if they were harmed by the reduced assessment. If the district was harmed by the removal of the assessment, all or a portion of the additional $10,000 in taxes due to this district may be distributed to the district as soon as the taxpayer pays their bill. If the district was not harmed by the removal of the assessment the $10,000 must be held in abeyance by the county treasurer and the assessor will reduce the district's levy amount in the following year by this amount.

Based on the corrected taxable value for our sample district, $195,000,000, the levy limitations are as follows:

District's Certified Levy Request	$190,000
Levy Limit (aka 101% growth)	$192,000
Resolution authorizing an increase over the prior year's levy	$192,000
Statutory Maximum Levy Rate Limit	$195,000

With the inclusion of the additional $10,000,000 of assessed value, the district's certified levy request is now the lesser of the limitations instead of the statutory maximum rate limit. The district should have levied $190,000 instead of $185,000. Thus, the district was harmed.

RCW 84.52.018 requires that 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." In this example, $5,000 is in excess of what the district could have levied, so the district is entitled to receive $5,000 when the additional tax is paid. However, the other $5,000 must be "held in abeyance and used to reduce the levy rates of the next succeeding levy."

To continue, let's say that in the next year the district is entitled to levy $205,000. The total assessed value of property in the taxing district is $210,000,000. The levy rate is calculated as follows:

$205,000 ÷ $210,000,000 = $.97619 per $1,000 of assessed value

Authorized levy amount	$205,000
Less the amount required to be held in abeyance	5,000
Amount district can spread on the assessed value of all taxpayers	$200,000

$200,000 ÷ $210,000,000 = $.95238 per $1,000 of assessed value

This method allows the taxing districts to receive the full amount they are entitled to ($205,000) and the taxpayers to receive the amount they overpaid in the prior year ($5,000) through a lower levy ($.95238 rather than $.97619) in the current year.

6.10 Correction of Levy Errors

Even with careful attention to the details, errors occasionally occur in the levy process. The 2001 Legislature adopted a bill that provides a means for correcting levy errors. Prior to the adoption of SHB 1202 (Chapter 185, Laws of 2001), no statutory authority existed to correct levy errors. This legislation provides the authority as well as guidance in the method for correcting errors. Corrections are to be made for levy errors occurring up to three years preceding the year the error was discovered (see RCW 84.52.085).

When an error is discovered that affects all taxpayers within a taxing district, the assessor is required to correct the error in the following year. The taxing district's levy is adjusted to compensate for the over- or under-collection that occurred as a result of the error. No interest is included in the adjustment. If correction of the error would cause a hardship for the taxing district or the taxpayers in the district, the error may be corrected over a period of up to 3 consecutive years.

Example: For the 2021 tax year, the county legislative authority certified a budget of $656,000 for a taxing district. Through a transposition error, the levy rate was based on $565,000, so the taxing district's levy was short by $91,000. The error was discovered in 2021.

2022 tax year lesser levy limit amount	$675,000
Correction of 2021 tax year levy error	91,000
Total levy for 2022 tax year	$766,000

Although the correction is outside of the levy limit (aka 101 percent) calculation, the final levy rate cannot exceed the statutory maximum rate for the taxing district. If the correction results in a rate in excess of the statutory maximum rate for the taxing district, the correction should be made over a period of up to three consecutive years.

Continuing with the example above, the taxing district involved is a library district with an assessed value of $1,540,000,000.

Total levy for 2022 tax year	$766,000
Assessed Value for Library District	$1,540,000,000
Levy Rate	$.4974 / $1,000

Since the library district's statutory maximum rate is $.50 and the rate with the correction is $.4974, the correction may be made in one year.

In subsequent years, the levy limit calculation is done as though the error had never occurred. When the correction is made, the levy rate applied to new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, if the facility is not state assessed, local tax increment finance area, and increases in state-assessed property is the rate that should have been applied had the error not occurred. The year following the year the correction is made, the levy rate applied to new construction, improvements to property, newly constructed wind turbines, solar, biomass, geothermal facilities, if the facility is not state assessed, local tax increment finance area, and increases in state-assessed property is the rate that should have been applied had the correction not occurred. In this example, the highest lawful levy since 1985 for collection in 1986 is not affected by the error or the correction of the error.

In our example, the certified budget amount equals the highest lawful levy. For calculating levies in subsequent years, the highest lawful levy for 2018 and 2019 are:

Highest lawful levy for 2018	$656,000
Highest lawful levy for 2019	$675,000

Keep in mind that the correction of levy errors is part of the overall levy process. The taxing districts are still required to provide the appropriate ordinances or resolutions in order to increase their levies. The ordinance/resolution may include information regarding levy correction. However, the assessor is required to correct errors that are discovered. Therefore, the assessor must correct errors even if the taxing district's resolution or ordinance does not address the correction.

Special attention must be given to levy error corrections especially when a voter approved levy has expired. If the levy is a voter-approved regular levy, the levy error correction cannot be carried forward to the new voter-approved regular levy as the voters have approved a specific amount of years for the levy. For excess levies, however, a correction can be made in a subsequent levy because it was approved in specific amounts.

6.11 Tax Increment Financing Programs

The State of Washington has seven tax increment financing programs available that finance public improvements from increased revenues from local property taxes. A summary of each program is provided below.

COMMUNITY REVITALIZATION FINANCING (CRF) ACT

In 2001, the Community Revitalization Financing (CRF) Act was created. It authorized cities, towns, counties, and port districts to create a tax "increment area" and finance public improvements within the area by using increased revenues from local property taxes generated within the area.

LOCAL INFRASTRUCTURE FINANCING TOOL (LIFT) PROGRAM

In 2006, the Local Infrastructure Financing Tool (LIFT) Program was created and made available to certain local governments for financing local public improvement projects intended to encourage economic development or redevelopment. As part of the LIFT program, a sponsoring jurisdiction (city, town, county, port district, or federally recognized Indian tribe) creates a "revenue development area" from which annual increases in revenues from local sales/use taxes and local property taxes are measured and used. Such increases in revenues and any additional funds from other local public sources are used to pay for public improvements in the revenue development area and are also used to match a limited amount of state contribution.

LOCAL REVITALIZATION FINANCING (LRF) PROGRAM

In 2009, the Local Revitalization Financing (LRF) Program was created by Second Substitute Senate Bill 5045 (2SSB 5045). The LRF program authorizes cities, towns, counties, and port districts to create a "revitalization area" (RA) and allows certain increases in local sales and use tax revenues and local property tax revenues generated from within the revitalization area, additional funds from other local public sources, and a state contribution to be used for payment of bonds issued for financing local public improvements within the revitalization area. This program is very similar to the LIFT program.

LOCAL INFRASTRUCTURE PROJECT AREA (LIPA) FINANCING

In 2011, the Local Infrastructure Project Area (LIPA) Financing Program was created by Engrossed Substitute Senate Bill 5253 (ESSB 5253) to enable local governments to finance infrastructure investments and incentivize development rights in the Central Puget Sound area. The LIPA Financing program authorizes cities to create a LIPA and allows certain increases in local property tax revenues generated from within the LIPA to be used for payment of bonds issued for financing local public improvements within the LIPA. The tax increment financing portion of this program is similar to the property tax component of LIFT and LRF, with a few differences.

STATE LAND IMPROVEMENT FINANCING AREA (SLIFA)

In 2016, the State Land Improvement Financing Area (SLIFA) Program was created by House Bill 2842 (chapter 39.112 RCW). This tool allows a city with a population greater than 60,000, that is located east of the Cascade mountains and abutted by the Columbia river to the south, to sponsor the

financing area. The State of Washington must be the current or most recent owner of the land at the time it is sold for private development. The area cannot exceed 25 percent of the assessed value of the taxable real property in the city at the time the area is designated. The tax revenue from the receipt of all regular property taxes levied within the SLIFA, with the exception of the State school levies, is diverted to the city and will be used for state land improvement financing.

COMMERCIAL OFFICE SPACE DEVELOPMENT AREA (COSDA)

In 2019, the Commercial Office Space Development Area was created by Substitute House Bill 1746. This program allows cities in counties with a population less than 1,500,000 to create a commercial office space development area to incentivize the development of high quality commercial office space. The area cannot exceed 25 percent of the assessed value of the taxable real property at the time the area is established. The bill includes a sales and use tax remittance program and a property tax reinvestment program. For the property tax reinvestment program, tax revenue from the new construction value of qualified commercial office space projects is contributed by the city and any additional participating districts within the area into a dedicated public improvement fund created by the city. The funds are used to make public infrastructure improvements within the commercial office space development area.

LOCAL TAX INCREMENT FINANCING (LTIF) AREAS

In 2021, ESHB 1189 was passed which allows cities, towns, counties, and port districts, or any combination of, referred to as local government, to create a Local Tax Increment Finance (LTIF) areas to fund public improvements. To do so, the local government must adopt an ordinance designating a specific increment area within its boundaries. Public improvements that are to be financed with the use of TIF must be specified.

A local government designating a LTIF area may issue general obligation bonds to finance the public improvements within an increment area. The bond debt will be repaid through regular levies. The local government's regular levy, as well as most other taxing districts offering services within the increment area that levy a regular levy will be increased based on the increase in assessed value of real property within the area similar to how the increase in state assessed utility value is added onto the district's levy limit. The revenue increase based on the increase in assessed value within the area is not carried forward as part of their highest lawful levy since 1985.

Beginning in the calendar year following the passage of the ordinance, the county treasurer shall distribute funds from regular property taxes imposed on real property located in the increment area. Property taxes to be apportioned under LTIF include most property tax levies subject to the Constitutional 1 percent and $5.90 aggregate limits. Taxes levied by port districts or public utility districts specifically for the purpose of making payment on bonds, taxes levied by the state for the support of the common schools, and local school district excess levies are excluded from LTIF apportionment.

Each taxing district will receive that portion of its regular property taxes produced by the rate of tax levied by the taxing district based on the assessed value of real property located in the area for taxes imposed in the year that the area was first designated.

The local government that created the increment area shall receive a portion of the regular property taxes levied by each taxing district based off the increment value of real property within the increment area. The local government that created the increment area may agree to receive less than the full amount of this portion as long as bond debt service, reserve, and other bond covenant requirements are satisfied. The portion of the tax receipts distributed to the local government may only be expended to finance public improvement costs financed by LTIF.

The apportionment of increases in assessed valuation in an increment area stop when the local government certifies to the county assessor that allocation revenues are no longer needed to pay the public improvement costs. The local government must return any excess tax allocation revenues to the county treasurer and distributed to the taxing districts that imposed regular property taxes.

Frequently Asked Questions

Q. Does participation in one of these programs affect the levy calculations?

A. Yes. However, only for taxing districts with LTIF areas.

Q. How is the transfer of property tax revenues handled?

A. The county treasurer allocates the local regular property taxes based on the assessed value of the area. For the Commercial Office Space Development Area, tax revenues are deposited by the city and participating districts into the public improvement fund after they have been collected and distributed by the county treasurer.

For LTIF, the treasurer allocates regular property taxes levied on the increment value of real property within the increment area.

Q. How is it determined if a taxing district is participating in CRF, LIFT, LRF, SLIFA, LIPA, COSDA or LTIF?

A. **CRF:** Taxing districts that levy at least 75 percent of their regular property tax within the increment area must agree to participate before an increment area can be created. If the increment area includes any portion of a fire district, the fire district must agree to participate in the revitalization financing program.

LIFT: Taxing districts must have a written agreement with the sponsor allowing the use of some or all of its local property tax allocation revenues dedicated for local infrastructure financing.

LRF: Taxing districts must allow the use of all of their local property tax allocation revenues for local revitalization financing, unless they adopt an ordinance opting out as a participating taxing district.

LIPA: Taxing districts must allow the use of all of its local property tax allocation revenues unless one or more, but not all, of its regular property tax levies are excluded through an interlocal agreement with the sponsoring city.

SLIFA: Taxing districts, other than the State school levies, must allow the use of all local property tax allocation revenue generated from the taxable property within the SLIFA.

COSDA: Cities must establish the commercial office space development area. Other taxing districts that want to participate must provide a written agreement of participation that is authorized by their governing body to the city.

LTIF: Taxing districts, other than the State school levies, ports and PUD's for bonding purposes, and local school excess levies, must allow the use of all local property tax allocation revenue generated from the taxable property within the increment area, unless the local government that created the LTIF area agrees to receive less than the full amount as long as bond debt service, reserve, and other bond covenant requirements are satisfied.

Q. What taxing districts and levies are eligible for these programs?

A. Regular property taxes are defined as, "…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 public utility district." (RCW 84.04.140)

CRF, LIFT, LRF, LIPA, tax increment financing programs exclude the following from the definition of regular property taxes:

- Property taxes levied by public utility districts for the purpose of making payments of principal and interest on general indebtedness
- State school levies
- Excess levies

LRF, LIFT, and LIPA: Exclude funds from levy lid lifts (RCW 84.55.050) that are levied for a specific purpose.

LRF and LIPA: Exclude property taxes that are specifically excluded through an interlocal agreement between sponsoring local governments and a participating taxing district.

CRF and LIPA: Exclude regular property taxes levied by a port district for the purpose of making payments of principal and interest on general indebtedness.

LIPA only allows the following taxing districts to participate:

- Counties that border Puget Sound having a population of 600,000 or more, and have an established program for the transfer of development rights; and
- Cities that are incorporated with a population plus employment equal to 22,500 or greater within an eligible county.

SLIFA: Excludes the State school levies.
LTIF: Excludes state school levies, ports and PUD's for bonding purposes, and local school excess levies.

Q. Who can sponsor one of these programs?

A. **CRF:** Cities, towns, counties, and port districts
LIFT: Cities, towns, counties, port districts, and federally recognized Indian tribes
LRF: Cities, towns, counties, and port districts

LIPA: Cities
SLIFA: Cities
COSDA: Cities
LTIF: Cities, towns, counties, and port districts or any combination of these districts.

Q. Is the state Community Economic Revitalization Board (CERB) approval required for a sponsoring entity to participate in the "property tax only" portion of these programs?

A. **CRF:** No approval required.
LIFT: Approval is required by CERB; however, applications are currently not being accepted.
LRF: No approval required.
LIPA: No approval required.
SLIFA: No approval required.
COSDA: No approval required.
LTIF: No approval required.

Q. How are local property tax increment revenues or property tax allocation revenues measured?

A. **CRF:** Property tax revenue from regular levies is distributed based on 75 percent of any increase in the assessed value of the increment area.

LIFT and LRF: Property tax revenue from regular levies is distributed based on 75 percent of the assessed value of new construction and improvements initiated after the creation of the program, and the value of conversion or rehabilitation that is treated as new construction under chapter 84.55 RCW. If the entire building is new construction, 75 percent of any increase in value of that structure is also included in the property tax allocation revenue value in subsequent years. If the new construction is not representing an entire building, any increase in value above the original new construction amount is not included in the property tax allocation revenue value in subsequent years.

LIPA: Property tax revenue from regular levies is distributed based on the sponsoring city ratio multiplied by 75 percent of the assessed value of new construction and improvements initiated after the creation of the program, and the value of conversion or rehabilitation that is treated as new construction under chapter 84.55 RCW. If the entire building is new construction, the amount resulting from the sponsoring city ratio multiplied by 75 percent of any increase in value of that structure is also included in the property tax allocation revenue value for subsequent years. If the new construction is not representing an entire building, any increase in value above the original new construction amount is not included in the property tax allocation revenue value in subsequent years.

SLIFA: Property tax revenue from regular levies is distributed based on 100 percent of the regular levies, excluding the State school levies.

COSDA: The city's and each participating district's tax revenue from the new construction value of qualified commercial office space projects is deposited into the public improvement fund for ten years.

LTIF: The property tax revenue from regular levies is based off 100 percent of the increment value of real property.

Q. When are property taxes distributed to the sponsoring jurisdiction?

A. **CRF:** Distribution begins in the calendar year after the increment area is created and continues until property tax revenues are no longer obligated to pay the costs of the public improvements.

LIFT: Distribution begins in the second calendar year following the approval by CERB and continues until property tax revenues are no longer obligated to pay the costs of the public improvements.

LRF: Distribution begins in the second calendar year following the creation of a revitalization area by a sponsoring local government and continues until property tax revenues are no longer obligated to pay the costs of the public improvements.

LIPA: Distribution begins in the second calendar year following the creation of a local infrastructure project area by a sponsoring city and continues until property tax revenues are no longer obligated to pay the costs of the public improvements or until the final termination date which ranges from 10-25 years after the date of the first distribution of local property tax allocation revenues, whichever is earlier.

SLIFA: Distribution begins in the calendar year following the passage of the city's ordinance.

COSDA: Distribution begins January 1 of the calendar year after a qualifying project is initially approved.

LTIF: Distribution begins the calendar year following the passage of the ordinance creating the increment area and continues until revenues are no longer necessary to pay for public improvement costs, or 25 years from the first year in which revenues are collected from the increment area; whichever is sooner.

Q. Does a taxing district have the option to either fully participate or partially participate in LRF and LIPA?

A. **LRF:** Yes. Legislation adopted in 2010 allows a taxing district to only partially participate by providing a specific amount of money for a specific amount of time to the sponsoring local government through an interlocal agreement. Or, a taxing district can allow only one or more, but not all, of its regular property tax levies to be used for the calculation of local property tax allocation revenues through an interlocal agreement.

LIPA: Yes. If taxing districts (the county) wants to partially participate by allowing one or more, but not all, of its regular property tax levies to be used, it may exclude levies through an interlocal agreement with the sponsoring city.

The intent of this section of the manual is to offer general information concerning these different programs. You can find additional information about generating revenue through sales and use

tax, and property tax at the Department of Revenue web site dor.wa.gov, search for “tax increment financing.”

6.12 Omitted Property

According to RCW 84.40.080, when property has been omitted from the assessment roll, an assessor must, upon discovery of omitted property, place the property on the assessment roll at the value for the year in which it was omitted, or if not then valued, at such value as the assessor shall determine for the year in which it was omitted. However, RCW 84.40.085 restricts the placement of omitted property on the assessment roll to *"three years preceding the year in which the omission is discovered."*

Omitted property should be taxed at the levy rate of the year in which the property was omitted. Taxes from omitted property are to be paid one year from the due date for taxes on the current year's assessment roll. This process is separate from the levy process, and the assessor should not reduce the levies by the taxes collected on the omitted assessments. Also, the assessor should not adjust the assessed values and the highest lawful levies for the years in which the property was omitted.

APPENDIX A – Definitions and Terminology

The following definitions/terminologies are taken from specific property tax statutes, property tax rules, bulletins, advisories, or Black's Law Dictionary:

- A -	
Ad Valorem Tax	A tax based on the value of property.
Additional Tax (Current Use)	The difference between the property tax paid as open space land, farm and agricultural land, or timber land and the amount of property tax otherwise due and payable for the seven years last past had the land not been so classified; plus interest upon the amounts of such additional tax paid at the same statutory rate charged on delinquent property taxes from the dates on which such additional tax could have been paid without penalty if the land had been assessed without penalty if the land had been assessed without regard to classification. RCW 84.34.108
Additional Tax (Historic Property)	"Additional taxes, interest and penalties: (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 chapter 84.26 RCW; plus (c) a penalty equal to twelve percent of the amount determined in (a) and (b)." RCW 84.26.090 WAC 458-15-015
Administrative Refunds	It is when an ad valorem tax paid before or after delinquency is refunded for one of the following reasons: **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 or partially exempted from paying real property taxes. **8.** Paid or overpaid as a result of mistake, inadvertence, or lack of knowledge by either a public official or employee or by any person paying the same 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) 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 that would, when added to all other property taxes within the 1 percent limitation of the state constitution equal 1 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, the amount refunded shall be for the difference between the amount of tax payable on the basis of the assessed valuation determined as a result of the preceding. **13.** Paid on property acquired under a tax lien (RCW 84.69.020). **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. **16.** Abated under RCW 84.70.010.
Advance Tax (Quick collect)	Tax collected on personal property, which is to be sold, moved, or liquidated. The tax is calculated and collected on current year levy, based on new value. RCW 84.56.070
Advisory Value	The true and fair value determinations by department appraisers or auditors made at the request of the county assessor. The value made by them shall not in any manner be binding upon the assessor. RCW 84.41.110 WAC 458-53-020
AGO	Attorney General's Opinion.
Annexation	The act of a taxing district taking in a part of another area.
Anticipated Taxes	HB 1283 (2017 Legislation Session) removed the following requirement: Any person filing a plat subsequent to May 31 in any year and prior to the date of collection of taxes shall deposit with the county treasurer a sum equal to the product of the county assessor's latest valuation on unimproved property in such subdivision multiplied by the current year's dollar rate increased by 25 percent on the property platted. This amount is sometimes referred to as an advance tax. RCW 58.08.040 was repealed.
Appeal Board (State)	Means the State Board of Tax Appeals. For more information, please see State Board of Tax Appeals
Appraisal	An estimate of value.

Assess	**1.** To estimate property value as a basis of taxation. **2.** To fix or determine, e.g., by a court or commission, the compensation due to a property owner for the taking of real property.
Assessed Value (AV)	The value of property placed on the assessment rolls for property tax purposes. In the State of Washington, assessed value may not always be the true and fair market value. RCW 84.04.020 and RCW 84.04.030
Assessment	**1.** The official valuation of property for ad valorem taxation. **2.** A single charge levied against a parcel of real estate to defray the cost of a public improvement that presumably will benefit only the properties it serves, e.g., assessment for the installation of sidewalks, curbs, or sewer or water lines. See also Special Assessment. **3.** An official determination of the amount to be paid by or to the owners of real estate to defray the cost of a public improvement that is presumed to benefit the properties it serves in an amount at least equal to the cost of the improvement, e.g., assessment of benefits and damages for public sewer or water lines.
Assessment Base	See Property Tax Base.
Assessment Cycle	The cycle during which all property in an assessment (area) district must be reassessed.
Assessment Date	All taxable real and personal property is subject to valuation at noon on January 1 of the assessment year for taxes collectable the following year except if the law specifically states otherwise. The greatest exception is new construction, which is to be placed on the assessment rolls by August 31st, with reference to value on July 31st of that year. When a mobile home first becomes subject to taxation, the valuation of the mobile home is as of the July 31st immediately preceding the date that the mobile home is placed on the assessment roll, and listed by August 31 of that year (RCW 36.21.070 through 36.21.090).
Assessment District	Formed to provide a specific service or benefit to lands contained within its boundaries. They are empowered to impose an assessment to fund district operations or to fund projects that fulfill the purpose for which the district was formed.
Assessment Process	The discovery, listing, and valuation of property for taxation.
Assessment Ratio	All property shall 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. RCW 84.40.030
Assessment Year	January 1 through December 31st of any year. The year the property is listed and assessed by the county assessor. The assessment year is the calendar year prior to the year the taxes become due and payable. RCW 84.40.020 RCW 84.04.040
AV	Assessed value.
- B -	
Banked Capacity	The difference between the highest lawful levy that could have been

	made and the actual levy that was imposed, less refund levies, levy errors, levy error corrections, and reduction due to highly valued disputed property.
Base Year	The year prior to the first collection year in a first or second multiyear levy period. (This is for the purpose of a port districts industrial development district levy only.)
Benefit Assessment District	See Assessment district.
Board of Equalization – County	A county board, independent of the assessor's office that may adjust valuations and hears specific appeals of valuations and decisions made by the assessor. The county governmental authority has the option of either appointing the members or constituting the board. The board shall consist of not less than three or more than seven members. This board shall convene in July and as needed, according to statute. RCW 84.48.010 and WAC 458-14-001
BOE	The county Board of Equalization.
Bond	A form of interest-bearing note used by government to borrow on a long-term (one year or more).
Boundaries	The boundaries of counties, cities and all other taxing districts are set on the first day of August of the year which the levy is made, with some exceptions. (For exceptions, please see RCW 84.09.030.)
Boundary Change	Any change in taxing district boundaries, for the purpose of property taxation and the levy of property taxes. RCW 84.09.030 WAC 458-12-140.
BTA or BOTA	State Board of Tax Appeals
- C -	
Cancellation	Reduction to the tax roll after the roll has been certified for collection for a specific year.
Certified Property Tax Levy	The lawful levy dollar amount certified by the taxing district governing body to the county legislative authority.
Certified Property Tax Rate	The tax rate calculated for the Levy Rate certified levy (budget divided by assessed value): Budget / Assessed Value = Rate
Chattel	In law, any property other than a freehold or fee estate in land; treated as personal property, although divisible into chattels real and chattels personal.
Chattels Personal	Tangible, movable items that generally constitute personal property.
Chattels Real	Intangible personal property right that may be created by leases.
Change of Use	When land which is classified under chapter 84.34 RCW or chapter 84.33 RCW for special valuation based on its use and then the use of the land is changed. Chapter 84.34 RCW. Chapter 84.33 RCW.
Change of venue (*Black's Law Dictionary*)	The removal of a suit begun in one county or district to another county or district for trial, though the term is also sometimes applied to the removal of a suit from one court of the same county or district.
City	A municipal corporation that occupies a definite area and is subject to the laws of the state in which it is located.

Classified Forest Land	Effective July 22, 2001, Classified Forest Land and Designated Forest Land were combined into one category. See Designated Forest Land.
Compensating Tax	Tax calculated on removal from designated forest land classification. Chapter 84.33 RCW
Compliance, Notice of	An affidavit on the real estate excise tax form which is signed by the new owner/owners at the time of sale or transfer of ownership of historic property when they desire the property to continue under that respective classification. RCW 84.26.080. WAC 458-15-070.
Composite Property Tax Levy Rate	Total property taxes levied, excluding the state school levies, on classified and designated forest land, divided by the total assessed value of classified and designated forest land.
Consolidated Regular Levy Rate for the $5.90 Limitation	The sum of all regular levy rates set for collection exclusive of rate set for state school levies, port and public utility districts, emergency medical services under RCW 84.52.069, and conservation futures under RCW 84.34.230, county ferry districts, criminal justice, retional transit authority, transit levies, and affordable housing.
Consolidated Regular Levy Rate for the Constitutional 1% Limitation	The sum of all regular levy rates set for collection exclusive of rate set for port and public utility districts.
Consolidation	The act of combining two or more taxing districts into one taxing district.
Constitutional 1 Percent Limit	The levy limit established by Article VII, section 2 of the Washington Constitution. Stating that taxes may not exceed 1 percent of the true and fair value of the property.
Contiguous	Land sharing a common boundary or edge or point. Even if the property is divided by a road it is still considered contiguous. RCW 84.34.020
Corporeal Property	Tangible property.
Cost Method	One of three professional appraisal methods used to value property. This method considers what it would cost to replace an existing structure with a similar one that serves the same purpose. The cost method is also widely used in new construction valuation.
Coterminous	Having the same boundaries or limits.
County	The largest division of local government in all states except Louisiana and Alaska, where the comparable units are parish and borough, respectively.
County Commissioner	The term county commissioners when used in Title 36 or other provision of law shall include the governmental authority empowered to so act under the provisions of a charter adopted by any county of the state. RCW 36.32.005
County Governmental Authority	The board of county commissioners or county legislative body as established under Home Rule Charter.
County Legislative Authority	The county commissioners, or in a case of a home rule charter county, the governmental authority empowered to so act.

	WAC 458-18-510
County Recording Authority	The county auditor or the county recording authority as authorized under Home Rule Charter. RCW 84.04.045 WAC 458-15-015
Coupon	The interest document specifying the amount of interest and date of payment, attached to a bond or coupon warrant.
Coupon Warrant	A warrant payable to the bearer with interest coupons attached. When issued, constitutes a general obligation of the district.
Current Assessment Year	The year the property is listed and valued by the county assessor.
Current Tax Year	The year the taxes are due and payable.
Current Use	Present use of the land. Not necessarily its highest and best use. Chapter 84.34 RCW.
Current Use Assessment	Special assessment of land under the Open Space Act. Please see Open Space.
- D -	
Deferred Taxes	A retired person qualifying under RCW 84.36.381 through 84.36.389 may elect to defer payment of special assessments and/or real property taxes on his/her residence an amount of up to 80 percent of their equity. DOR pays the "deferred" taxes in exchange for a lien position; taxes are repaid to DOR later. RCW 84.38.010 and WAC 458-18-010. Or, the Limited Income Deferral allows property owners to defer their 2nd half property tax under chapter 84.37 RCW. The application must be submitted annually to the assessor's office.
Delinquent Assessments	Assessment remaining unpaid on and after the due date for which a penalty for non-payment is attached.
Delinquent Interest	Penalty for non-payment of a tax or assessment by due date. RCW 84.56.020
Department	Department means the Department of Revenue of the state of Washington. RCW 84.04.047
Designated Forest Land	Land which is devoted primarily to growing and harvesting timber. The land must total five or more acres and may be one parcel or multiple contiguous parcels. Designated Forest Land means the land only, and does not include a residential homesite. Chapter 84.33 RCW
Destroyed Property	If real or personal property is destroyed in whole or in part in a calendar year, or if it is in an area declared to be a disaster area, the assessed value may be reduced for that assessment year to the true and fair market value that remains after the destruction. The loss must be greater than 20 percent. Under certain conditions, the taxes collected during the year may be abated proportionately. RCW 36.21.080 and RCW 84.70.010
Disputed Value	Generally used in describing highly valued property whose valuation dispute may have a significant impact on a taxing district's levy. Whenever any property value or claim for exemption or cancellation of a property assessment is appealed to the state board of tax appeals

	or to the courts, the difference between the values that are asserted by the taxpayer and the assessor is considered the disputed value. When that disputed value exceeds 1/4 of 1 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, unless the state board of tax appeals has issued its determination at the time of extending taxes. RCW 84.52.018
District	For taxation, it is a unit of local government with the authority to levy taxes and issue bonds to finance schools, parks, sewers, etc. WAC 458-18-510.
DNR	Department of Natural Resources
DOR	Department of Revenue
Drainage	A system of drains, e.g., tiles, pipes, conduits, designed to remove surface or subsurface water or waste water and sewage.
Drainage District	A unit of local government set up to construct and operate a drainage system for the area, usually to achieve a higher and better use of the land.
DSHS	Department of Social and Health Services
- E -	
Eminent Domain, Power of	The right of government to take private property for public use (usually by purchase).
Emergency Medical Service Districts	Districts created specifically to provide emergency medical care or emergency medical services. RCW 84.52.069
EMS	Emergency Medical Service. EMS levies may be excess or regular levies.
Enrichment Levy	Local school funding in excess of basic education. Replaces M&O levies at of the 2019 tax year.
Equalization	The process in which a government body attempts to ensure that all property under its jurisdiction is assessed at true and fair market value.
ESD	Educational Service District. Not a taxing district, but a regional administrative agency between the local school districts and the Superintendent of Public Instruction.
Ex Officio	By virtue of the office.
Excess Levy	Levy of additional taxes by any taxing district over and above the regular/statutory rate. Approved by the electors at a special or general election. Voter approved levies in accordance with RCW 84.52.052; this does not include the EMS, Port, and PUD districts.
Exemption	All property is subject to taxation, unless specifically exempted by law. The department of revenue administers nonprofit exemptions (hospitals, churches, schools, etc.). Exemptions that are administered by the assessor are senior citizen, head-of-family (personal property), historical property, and the remodel exemption. Chapter 84.36 RCW.

Export	An export is an article that is sent, taken or carried out (*Black's Law Dictionary*) of a state destined to a foreign country. (Rules relating to the Revenue Act of 1935, Washington state tax commission, p. 135.)
- F -	
Farm and Agricultural Land	Land devoted primarily to the production of livestock and agricultural commodities, etc. RCW 84.34.020
FBC	Fire Benefit Charge
Fiscal Year	For property tax purposes, the assessment year and fiscal year are both January 1st through December 31st in each year. RCW 84.04.040
FLAV	Forest Land Assessed Value
Floating Home	A building on a float used in whole or in part for human habitation as a single family dwelling, which is not designed for self-propulsion by mechanical means or for propulsion by means of wind, and which is on the property tax rolls of the county in which it is located. RCW 82.45.032.
Foreign Commerce	Means that commerce, commercial intercourse, traffic or trade which involves the purchase, sale or exchange of property and its transportation, or the transportation of persons, or the transportation of communications or electrical energy, from a state or territory of the United States to a foreign country, or from a foreign country to a state or territory of the United States. It includes fish, seafood, or other products originating on the high seas beyond the territorial limits of the state. (Rules relating to the Revenue Act of 1935, Washington state tax commission, p. 135.)
Forest Land	Forest land is synonymous with designated forest land 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 forest land means the land only and does not include a residential homesite. Chapter 84.33 RCW.
Forest land assessed value (FLAV)	For purposes of computing the 2019 distribution, the FLAV is the January 1, 2017, assessed value of classified and designated forest land and reclassified 1931 Reforestation Land in the county and on the 2008 tax rolls.
Fund	A self-balancing set of accounts that records revenues together with all related liabilities which are segregated for the purpose of carrying on specific activities.
Funding bond	A general obligation bond issued to cancel the outstanding indebtedness of warrants or bonds of waterworks or other public utilities that were payable only from the income of those utilities.
- G -	
Gender and Number	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. RCW 84.04.065.
General Obligation Bond (GO Bond)	Any bond, note, warrant, certificate of indebtedness or other obligation of a public body which constitutes indebtedness within the meaning of the constitutional debt limitation. RCW 39.53.010. A bond secured by pledge of the issuer's full faith, credit, and taxing power.
- H -	
Head of Family Exemption	An exemption of $15,000 of value of personal property owned by a head of family and used for business purposes as of January 1, 2007. Prior to this date, the exemption amount was $3,000. This exemption is not allowed for partnerships and/or corporations. RCW 84.36.110.
Highest and Best Use	Basis for valuing property for assessment purposes. Highest and best use is the most profitable likely use for which a property can be put. It is the use, which will yield the highest return on the owner's investment.
Historic District	An area designated to retain and preserve its historic quality.
Historic Property	Real Property together with improvements thereon, except property listed in a register primarily for objects buried below ground, which is: (1) listed in a local register of historic places created by a comprehensive ordinance, certified by the secretary of the interior; or (2) listed in the national register of historic place. RCW 84.26.020. WAC 458-15-015
Householder	Every person, married 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. RCW 84.04.050.
- I -	
Import	An import is an article, which comes from a foreign country (not from a state, territory, or possession of the United States) or originates on the high seas and is brought into the taxing jurisdiction of a state. (Rules relating to the Revenue Act of 1935, Washington State Tax Commission, p. 135.)
Improvement	Improvement means any valuable change in or addition to real property, including the subdivision or segregation of parcels of real property or the merger of parcels of real property. (WAC 458-19-005(2)(i).) Commonly used to describe the buildings and structures added to land.
Income Method	One of three professional appraisal methods used to value property. This method is used primarily to value business property where the property tends to be worth its income producing potential
Indicated Personal Property Ratio	The sum of the actual total county assessed values is divided by the sum of the indicated market values to determine the county indicated personal property ratio. WAC 458-53-160.
Indicated Real Property Ratio	The sum total real property assessed and true and fair values, forest land assessed and true and fair values, and current use assessed and

	true and fair values. WAC 458-53-135.
Intercounty Rural Library District	A municipal corporation organized to provide library service for all areas outside of incorporated cities and towns within two or more counties: PROVIDED, That any city or town with a population of one hundred thousand or less at the time of annexation may be included therein as provided in RCW 27.12.360 through 27.12.390.
Interstate	Refers to goods in transit to this state from another state.
Interstate Commerce	Includes, but is not limited to, that commerce, commercial intercourse, traffic, or trade which involves the purchase, sale or exchange of property and its transportation, or the transportation of persons, from one state or territory of the United States to another. (Rules relating to the Revenue Act of 1935, Washington state tax commission, p. 135.)
Intrastate	Refers to goods in transit from one point in this state to another point within this state. WAC 458-12-115.
IPD	Implicit price deflator, a measure of inflation used in the calculation of levy limits.
Irrigation	The artificial application of water to the soil for full crop production; used in arid regions or when rainfall is not sufficient.
Irrigation District	An agency established by local government that has the authority to implement and operate an irrigation system for the district and to levy taxes to finance its operations.
Island Library District	A municipal corporation organized to provide library service for all areas outside of incorporated cities and towns on a single island only, when it's not the only area of the county, and in counties composed entirely of islands and having a population of less than twenty-five thousand at the time the library district was created: PROVIDED, That any city or town with a population of one hundred thousand or less at the time of annexation may be included therein as provided in RCW 27.12.360 through 27.12.390.
- J -	
Joint Taxing District	A district that lies in more than one county, such as a jointly supported school district. (Also known as a split district.)
Judgment	An amount to be paid or collected by a governmental unit as the result of a court decision, including condemnation awards in payment for private property taken for public use.
July Board	Nickname for the county Board of Equalization.
Junior Taxing Districts	All taxing districts other than the state, county, county roads, city, port, and public utility districts.
- K -	
- L -	
Land	The soil with everything on it and under it.
Land Use Code	The identification of each real property parcel by numerical digits as

	representations of the major use of the property. The Land Use Code is derived from the Standard Land Use Coding Manual as prepared by the Federal Bureau of Public Roads and includes use classifications specified by state law. WAC 458-53-020
Lease For Life	A lease that terminates upon the demise of the lessee. WAC 458-16A-100.
Legislative Authority	Government authority of a city, town, or county.
Levy	Verb: To impose taxes, assessments or charges for support of governmental activities. Noun: The total amount of taxes, assessments or charges imposed by a governmental unit
Levy Code Area	See Tax Code Area description.
Levy Limit	The restriction on the amount that a district's property tax levy may increase over the previous year. Districts with population below 10,000 – The levy limit for a district of this size is 101 percent. Districts with population at or above 10,000 - The levy limit for a taxing district of this size is determined by the need of the district for funds above the rate of inflation (Implicit Price Deflator, IPD). The limit factor for districts that have a substantial need for funding above the IPD is the lesser of the limit factor authorized by RCW 84.55.0101 or 101 percent. For all other districts of this size, the limit factor is the lesser of 101 percent or 100 plus the IPD. The levy for a taxing district in any year shall be set so that the regular property taxes payable in the following year shall not exceed the limit factor times the highest amount that could have lawfully been levied since 1985 plus an additional dollar amount calculated by multiplying the increase in assessed value resulting from new construction, improvements to property, solar, biomass, geothermal facilities, if the facility is not state assessed, and any increase in the assessed value of state assessed property times the levy rate of that district for the preceding year.
Levy Rate	The rate necessary to raise the amount of taxes for any taxing district within the county. Expressed in dollars and cents per one thousand dollars assessed value and are calculated by dividing the total amount of the authorized levy of a taxing district by the total assessed value of that district. Also see Certified Property Tax Levy Rate.
LID	Local improvement district
Lid - Lift	A ballot measure, wherein the voters authorize the district to increase their levy rate beyond the levy limit. RCW 84.55.050.
Life Estate	An estate whose duration is limited to the life of the party holding it or of some other person. WAC 458-16A-100.
Local Review Board	A local body designated by the local legislative authority. RCW 84.26.020.
Local Improvement District (LID)	A single charge levied against a parcel of real estate to defray the cost of a public improvement that presumably will benefit only the

	properties it serves, e.g., assessment for the installation of sidewalks, curbs, or sewer or water lines. See also Special Assessments.
Lot, Tract, etc.	A piece or parcel of real property and piece or parcel of land is any contiguous quantity of land in the possession of, owned by, or recorded as property of the same claimant, person or company.
- M -	
M & O	Maintenance and operations (See Enrichment Levy for school districts)
Maintenance Assessments (dike, flood control, drainage, irrigation)	Special assessments for districts that provide continuous benefit to the property owners and are receipted as ad valorem taxes; however, the due date and delinquent interest differs. The first half of full assessment is due on or before April 30, and the second half is due on or before October 31. RCW 85.08.480, 86.09.493, and 87.03.270.
Maintenance Assessments (weed, rodents, pests, mosquitoes)	These special assessments provide continuous benefit to the property owners and are receipted in the same manner as ad valorem taxes with the same due dates and delinquent interest rates. RCW 17.04.250.
Manifest Error	An error in listing or assessment which does not involve a revaluation of property. WAC 458-14-005 (14). Correction of these errors would not require appraisal judgment.
Major Taxing Districts	State, county, city and road districts. Also referred to as Senior Districts.
Market Comparison Method	One of the three professional appraisal methods used by assessors in valuing property. In this method sales are used to provide estimates of value for similar properties. This method is also called the Sales Comparison Method and most residential property is valued this way.
Market Value	See True and Fair Market Value.
Mergers of Taxing Districts	For levy rate calculation purposes, it is the same thing as a consolidation. The only difference is that in a merger, the individual taxing districts that combine retain their commissioners, while one commissioner board is created in a consolidation. For intercounty mergers, the county with the district with the highest assessed value should set the levy rate.
Mobile Home	Or manufactured home. A structure, designed and constructed to be transportable in one or more sections, and is built on a permanent chassis, and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities that include plumbing, heating, and electrical systems contained therein. RCW 82.50.010. RCW 46.04.302.
Modular Home	A factory-assembled structure designed primarily for use as a dwelling when connected to the required utilities that include plumbing, heating, and electrical systems contained therein. It does not contain its own running gear, and it must be mounted on a permanent foundation. RCW 46.04.303.
Money/ Moneys	Money or moneys shall be held to mean gold and silver coin, gold

	and silver certificates, treasury notes, United States notes, and bank notes.
Municipality	A district having powers of local self-government. City, town, etc., having its own self-government.
- N -	
Net Cash Rental	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. RCW 84.34.065.
New Construction	Means the construction or alteration of any property for which a building permit was issued, or should have been issued, under chapter 19.27, 19.27A, or 19.28 RCW or other laws providing for building permits, which results in an increase in the value of the property. WAC 458-19-005.
Notice of Change of Value	A notice mailed by the assessor to the taxpayer when there is a change in the true and fair value of real property (land and/or improvements) or a change in value of land in open space classification. RCW 84.40.045. WAC 458-12-360
Notice of Compliance	An affidavit on the real estate excise tax form which is signed by the new owner/owners at the time of sale or transfer of ownership of historic property when they desire the property to continue under that respective classification. RCW 84.26.080
Notice of Continuance	An affidavit on the real estate excise tax form or a separate form which is signed by the new owner/owners at the time of sale or transfer of ownership when classified land (open space, forest land or farm and agricultural land) is desired to continue under the respective classification. Chapters 82.45, 84.33, and 84.34 RCW and Chapters 458-30 and 458-40 WAC.
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. RCW 84.04.065.
- O -	
Oath/ Swear	"Oath" may be held to mean affirmation and the word "swear" may be held to mean affirm. RCW 84.04.070.
Omitted Personal Property	Personal property omitted from the assessment roll. It shall not include personalty that was listed but improperly valued. RCW 84.40.080. WAC 458-12-050.
Omitted Real Property	Real property omitted from the assessment roll for any preceding year at the value for that year. (Limitation of no more than three assessment years from the year of discovery.) RCW 84.40.080. WAC 458-12-050.
Omitted Value	All personalty that was assessed at less than market value due to

	inaccurate reporting by the taxpayer or person reporting said property. RCW 84.40.080. WAC 458-12-050.
Open Space/ Current Use Assessment	Land designated for non-building uses, typically of three types: Farm & Agricultural land, Timber Land, and Open Space Land. If qualified the land may benefit from reduced assessments Chapter 84.34 RCW.
Open Space Land	"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. RCW 84.34.020.
Open Space Ratio	The ratio of open space to the total site or the land area improved with buildings.
Ordinance	An ordinance of a city or town or resolution or other instrument by which the governing body of the public body exercising any power hereunder takes formal action and adopts legislative provisions and matters of some permanency.
Ownership of Real Property	The holding of rights or interests in real estate.
- P -	
Person	Person shall be construed to include firm, company, association, or corporation. RCW 84.04.075.
Personal Property	The term personal property is defined in RCW 84.04.080, which should be consulted in any case where it is at all doubtful whether a given piece of property is real or personal.
Personal Property	For the purpose of taxation, personal property is all goods, chattels, stocks, estates or moneys, standing timber, etc., items not affixed to the real estate, but used for the purpose of doing business. Personal property also includes boats and mobile homes not affixed to any real estate. Personal property may also include buildings that are owned privately but located on leased government lands. RCW 84.04.080.

Plat	A map or representation of a subdivision, showing thereon the division of a tract or parcel of land into lots, blocks, streets and alleys, or other divisions and dedications. RCW 58.17.020.
Power of Eminent Domain	The right of government to take private property for public use (usually by purchase).
Property Tax	A tax levied on real and personal property, based on value (ad valorem).
Property Tax Base	The assessed value of all property within a designated area, e.g., an assessment or tax district.
Prorationing of Levies	A term meaning the statutory process for reducing regular property tax levies when the aggregate of those levies exceeds either the aggregate $5.90 limit or the 1 percent constitutional limit in a specific tax code area.
PTA	Property Tax Advisories—replace PTBs, Property Tax Bulletins.
Public Property (Exempt)	All property belonging exclusively to the United States, the state, any county or municipal corporation, and all property under a recorded agreement granting immediate possession and use pursuant to RCW 8.04.090, shall be exempt from taxation. All property belonging exclusively to a foreign national government shall be exempt from taxation if such property is used exclusively as an office or resident for a consul or other official representative of such foreign national government, and if the consul or other official representative is a citizen of such a foreign nation. Generally, property owned by a municipal corporation or a state agency is exempt from property taxes. Property leased by government remains taxable to the owner. Governments may "pay" property tax by agreeing to reimbursements of the owner's tax payments by contract. RCW 84.36.010.
Public Utilities	Each company doing intercounty or interstate business in this state that is assessed and has values certified to the county assessor by the Department of Revenue. The term "centrally assessed properties" is sometimes used for these properties. The properties consist of power, communication, and transportation companies. RCW 84.12.200. Chapter 458-50 WAC.
Public Utility District (PUD)	A district formed to conserve the water and power resources of the state of Washington for the benefit of the people thereof, and to supply public utility services including water and electricity for all uses. Title 54 RCW.
- Q -	
Quick Collect	Tax collected on personal property, which is to be sold, moved, or liquidated. The tax is calculated and collected on current year levy, based on new value. RCW 84.56.070
- R -	
Rate	Numerical amount of property taxes to be levied expressed in terms of dollars per $1,000 of assessed value, e.g., $1.00 per $1,000 of

	assessed value. Sometimes the rate is described without including "per $1,000 of assessed value."
Ratio	The percentage relationship of real property assessed value to the true and fair value of real property as determined by real property sales, by department appraisals, or by department approved county appraisals, or the percentage relationship of personal property assessed value to the true and fair value of personal property as determined from department audits or from department approved county audits. RCW 84.48.075 and WAC 458-53-020.
Ratio Study	The Department's annual comparison of the relationship between the county assessed values of real and personal property with the market value of that property as determined by the Department's analysis of sales, appraisals, and/or audits or the comparison of the relationship between the county assessed values of real property classified under chapter 84.34 RCW (current use) with the current use value of that property as determined by the department. RCW 84.48.075. WAC 458-53-020.
RCW	Revised Code of Washington
Real Estate	An identified parcel or tract of land, including improvements, if any. Also see Real Property.
Real Property	For purposes of taxation, the term "real property" means the land itself and all buildings, structures or improvements or other fixtures including mobile homes that are permanently fixed in location.
Reasonable Proximity	Geographical areas near enough to each other so that governance, management, and services can be delivered effectively. RCW 52.26.020
Refund Fund	A fund within the county treasury that is used to refund to taxpayers the amount of all taxes held illegal and recoverable by judgments rendered against the county within the preceding twelve months, including legal interest and a proper share of the costs, where allowed by the judgment.
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. RCW 84.04.140.
Rehabilitation	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. RCW 84.26.020.
Resolution	A special or temporary order of a legislative body (requires less legal formality than an ordinance or statute). (See definition of Ordinance.)
Revaluation	The process in which the assessed value of all real property is adjusted, to reflect the market or true and fair value of the property.

	Revaluation, which consists of a physical inspection of property, occurs every four years, except if a county statistically updates real property values annually. Then physical inspection is required every six years. RCW 84.41.030
Revenue Bond	Any bond, note, warrant, certificate of indebtedness, or other obligation for the payment of money issued by a public body or any predecessor of any public body and which is payable from designated revenues or a special fund but excluding any obligation constituting an indebtedness within the meaning of the constitutional debt limitation and any obligation payable solely from special assessments or special assessments and a guaranty fund. RCW 39.53.010.
Road Levy Shift	A shift of levy capacity (rate) from the county's road levy to the county's general levy. Any county is authorized to levy up to two dollars and forty-seven and one-half cents per thousand dollars of assessed value 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. RCW 84.52.043
Rural County Library District	Means a library serving all the area of a county not included within the area of incorporated cities and towns: PROVIDED, that any city or town with a population of one hundred thousand or less at the time of annexation may be included therein as provided in RCW 27.12.360 through 27.12.390.
- S -	
Sales Comparison Method	See Market Comparison Method.
Sales Study	A study of comparable sales within the past five years for appraisal of real property using all factors as to time of sale, location, physical or other factors affecting value as of the assessment date. RCW 84.40.030. Chapter 458-53 WAC.
Sanitary District	An assessment district established with particular reference to improvements (e.g., sewers and sewage disposal plants) that are constructed in the interest of sanitation and health; a municipal corporation organized to secure, preserve, and promote the public health.
Segregation (Seg)	Separation of a tax parcel into two or more pieces.
Senior Taxing District	Means the state (for support of common schools), the county, county road, and city or town.
Short Plat	The map or representation of a short subdivision. RCW 58.17.020.
Short Subdivision	The division or re-division of land into four or fewer lots, tracts, parcels, sites, or divisions for the purpose of sale, lease, or transfer of ownership. RCW 58.17.020.

Situs, Taxable Personal Property	Personal property shall be listed and assessed in the county where it is located. RCW 84.44.010. WAC 458-12-115
Situs, Taxable Real Property	The situs of real property is at the place where the property is located. The situs of a possessory interest in real property is at the place where the real property is situated. Where a parcel of real property is located in more than one taxing district the portion lying within a particular district is assessable only in that district. WAC 458-12-055.
Special Assessment	The charge or obligation imposed by local government upon real property specially benefited by improvements. WAC 458-18-010
Special Districts	Districts created to provide a particular service, e.g., economic development districts, water resource management districts.
Special Valuation	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. RCW 84.26.020
State-Assessed Property	Intercounty or interstate utilities, railcar companies, and transportation companies valued by the Department of Revenue. These values are equalized using the ratio study. Once these properties are valued and equalized, they are certified (apportioned) to the counties, for placement on the assessment rolls.
State Board of Tax Appeals (BTA)	If a taxpayer is not satisfied with their county's Board of Equalization decision, they can bring their appeal before the state BTA. The BTA also reviews certain property tax decisions made by DOR.
State Levy	The levies for state taxes as authorized by law not to exceed the lawful limit of $3.60 per thousand dollars of assessed value, with the exception of collection years 2018, 2020, 2021, and 2022 when the aggregate levy rate is $2.70 and 2019 when the aggregate levy rate is $2.40 per thousand dollars of 100 percent true and fair market value which is adjusted to the state equalized value in accordance with the indicated ratio fixed by DOR. The levies are for the support of Common Schools in the State of Washington. Remember that the state levies are not included in the $5.90 statutory limit. RCW 84.48.080.
State Review Board	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. RCW 84.26.020
Statutory Dollar Rate	The maximum levy rate as set by statute for each type of regular levy. Currently, the aggregate limit is $5.90.
Stratification	The grouping of the real or personal property assessment records into specific assessed value and/or use categories for ratio sampling and calculation purposes. WAC 458-53-020.
Subdivision	The division of land into five or more lots, tracts, parcels, sites, or divisions for the purpose of sale, lease, or transfer of ownership. This does not include a short subdivision. RCW 58.17.020.
Supplemental	Tax added to the roll after the roll has been certified for a specific

	year.
Survey	Survey shall mean the locating and monumenting in accordance with sound principles of land surveying, by or under the supervision of a licensed land surveyor, of points or lines which define the exterior boundary or boundaries common to two or more ownerships or which reestablish or restore general land office corners. RCW 58.09.020.
Swear/ Oath	Oath may be held to mean affirmation, and the word "*swear"* may be held to mean affirm. RCW 84.04.070.
- T -	
Tangible Property	Property that can be perceived by the senses; includes land, fixed improvements, furnishings, merchandise, cash, and other items of working capital used in an enterprise.
TAV	Timber assessed value.
Tax/ Taxes	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. RCW 84.04.100.
Tax Base	The unit of value to which the tax rate is applied to determine the tax due; for property taxes, the assessed valuation of the property within the district.
Tax Code Area	Means a geographical area made up of a unique mix of one or more taxing districts, which is established for the purpose of properly calculating, collecting and distributing taxes. Only one tax code area will have the same combination of taxing districts, except that an additional tax code area made up of the same taxing districts will be temporarily created when one of the taxing districts in the tax code area annexes additional area and the voters of the annexing district have previously authorized a bond levy upon which those taxpayers are still paying, and for which the taxpayers in the annexed area are not responsible. WAC 458-19-005.
Tax Exemption	Total exemption or freedom from tax granted to educational, charitable, religious, and other nonprofit organizations. Exemptions from personal property tax, such as the head-of-family, the historical property, and the remodel exemptions, are also granted. Also see Exemptions.
Tax Levy	In property taxation, the total revenue that will be realized by the tax.
Tax Rate	See Certified Property Tax Levy Rate.
Tax Roll	The official list of all taxpayers subject to property tax, the amounts of their assessments, and the amounts of taxes to be collected by the Treasurer. RCW 84.52.080.
Taxable Situs – Personalty	Personal property shall be listed and assessed in the county where it is situated. The personal property pertaining to the business of a merchant or of a manufacturer shall be listed in the town or place

	where the business is carried. RCW 84.44.010, WAC 458-12-115, and WAC 458-12-120.
Taxable Situs – Real Property	The situs of real property is at the place where the property is located. The situs of a possessory interest in real property is at the place where the real property is situated. Where a parcel of real property is located in more than one taxing district the portion lying within a particular district is assessable only in that district, with the exception of property located within a regional transit authority district. WAC 458-12-055.
Taxable Value	According to RCW 84.04.020 taxable value should be construed to mean assessed value, when used in the statutes. Please see Assessed Value for a definition. Note: In the case of partial exemptions, taxable and assessed value would not mean the same thing. For example, if a house with an assessed value of $100,000 has exemptions worth $30,000, the taxable value would equal $70,000.
Taxation	The right of government to raise revenue through assessments on valuable goods, products, and rights.
Taxing District	"Taxing district" shall be held and construed to mean and include the state and any county, city, town, port district, school district, road district, metropolitan park district, 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. RCW 84.04.120. WAC 458-12-140. WAC 458-18-510.
Taxing District	A political subdivision for one or more assessment districts where a governmental unit has the authority to levy tax.
Taxing District Boundaries	See Boundaries.
Taxpayer	Taxpayer shall mean any individual, corporation, association, partnership, trust, or estate whose property has been or will be assessed for property tax purposes according to Title 84 RCW. WAC 458-18-510.
TCA	Tax code area
Timber	"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. RCW 84.33.035
Timber Assessed Value (TAV)	A figure computed annually by the Department of Revenue based on a statutory formula (RCW 84.33.035[18]). Briefly, the annual harvest value multiplied by the county timber tax rate (4.0 percent) divided by the county composite tax rate.

Timber Land	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. Timber land means the land only. RCW 84.34.020(3)
Timber Land	Please see Open Space (Timber Land)
Town	Technically, a territorial quasi-corporation, e.g., a New England town, or a political subdivision of the state or county, e.g., townships; commonly, an urban community; sometimes applied to any form of municipal corporation.
Tract/ Lot	"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. RCW 84.04.130.
Trending	Trending consists of adjusting the sale price of a property or the appraisal value from the time of sale or appraisal to a specific point in time, which is the January 1 assessment date.
True and Fair Value	True and fair value is that value expressed in terms paid in a market transaction - willing buyer, willing seller, both buyer and seller knowledgeable of the uses to which the property can be put to, neither under duress. True and fair value is important since this is the value that the constitutional 1 percent levy limitation is based upon. RCW 84.40.030. RCW 84.34.065. WAC 458-07-030.
- U -	
Unauditable Special Purpose District	A special purpose district that the state auditor has determined to be incapable of being audited because the special purpose district has improperly maintained, failed to maintain, or failed to submit adequate accounts, records, files, or reports for an audit to be completed.
Uniformity	All taxes shall be uniform upon the same class of property within the territorial limits of the authority levying the tax and shall be levied and collected for public purposes only. (Article VII, Section 1, State Constitution.) The county commissioners are the authority that levies the tax (not individual taxing districts) in the county, and all property that comes within their jurisdiction must be uniformly valued and assessed. This rule firmly prohibits the use of varying assessment ratios within the confines of the county borders. The assessor must value all real and personal property at its fair market value and then apply the same or a uniform assessment ratio thereto. (Carroll Barlow, Snohomish County Assessor v. Washington State Tax Commission (1967).)
Use Classification	Property that is assessed as open space land, or designated forest land.
Utility Local Improvement District	See Local Improvement District (LID).

(ULID)	
- V -	
Value/valuation (*Black's Law Dictionary)*	Relationship between a thing desired and a potential purchaser. Volume of goods, commodities, service a thing will command in exchange. It exists in the minds of men (people create value). Value is related to and influenced by need, utility, scarcity, and purchasing power.
Valuation	The process of estimating the market value of an identified interest or interests in a specific parcel or parcels of real estate as of a given date.
- W -	
WAC	Washington Administrative Code
- X Y Z -	

APPENDIX B – Reference Section

B.1 Washington State Constitution

Article VII	Revenue and Taxation.

B.2 Chapter 458-19 WAC – Property Tax Levies, Rates, and Limits

WAC 458-19-005	Definitions.
WAC 458-19-010	Levy limit and levy rate calculations.
WAC 458-19-020	Levy limit – Method of calculation.
WAC 458-19-025	Restoration of regular levy.
WAC 458-19-030	Levy limit – Consolidation of districts.
WAC 458-19-035	Levy limit – Annexation.
WAC 458-19-040	Levy limit – Newly formed taxing district.
WAC 458-19-045	Levy limit – Removal of limit (lid-lift).
WAC 458-19-050	Port district levies.
WAC 458-19-05001	Port district IDD levy.
WAC 458-19-055	Levy limit – Proration of earmarked funds.
WAC 458-19-060	Emergency medical service levy.
WAC 458-19-065	Levy limit – Protection of future levy capacity.
WAC 458-19-070	Procedure to adjust consolidated levy rate for taxing districts when the statutory aggregate dollar rate limit is exceeded.
WAC 458-19-075	Constitutional one percent levy limit calculation.
WAC 458-19-080	City annexed by fire protection and/or library districts.
WAC 458-19-085	Refunds – Procedures – Applicable limits.
WAC 458-19-090	Fire protection district formation - cities and town – highest lawful levy.
WAC 458-19-550	State levy – Apportionment between counties.

B.3 Property Tax Advisories

PTA 2.1.2009	Property Tax Bulletins Cancelled.
PTA 5.1.2009	Specific Question Pertaining to Land Classified as Farm and Agricultural Land Under Chapter 84.34 RCW, when the Land Qualifies for Classification because of the Commercial Agricultural Activity Produced from Perennial Plantings.

PTA 6.2.2020	Property Taxability of Motor Vehicles.
PTA 7.1.2009	Sales Tax as an Element of Value.
PTA 8.1.2009	Appraisal of Bed and Breakfast Establishments.
PTA 9.1.2009	Assessment of Supplies.
PTA 10.1.2009	"True Lease" or Security Agreement.
PTA 11.2.2009	Application of the Soldiers' and Sailors' Civil Relief Act of 1940 to Property Tax Administration.
PTA 12.3.2014	Classification of Land Used for Christmas Tree Production.
PTA 13.1.2009	Effect of Local Zoning on Nonprofit Exemptions.
PTA 14.2.2009	Transfer or removal of land owned by a federally recognized Indian Tribe classified under chapter 84.33 or 84.34 RCW.
PTA 15.1.2009	Low-Income Housing Valuation.
PTA 16.1.2011	Establishing Additional Eligibility Requirements for the Current Use Program.
PTA 17.0.2014	Valuation of Community Land Trust (Resale Restricted) Properties.
PTA 18.0.2017	BTA Non-aquiescence.
PTA 19.1.2020	Occupancy Requirement for Senior Citizen, Disabled Person, and Disabled Veteran Property Tax Exemption.
PTA 20.1.2021	State-Assessed Utility Company Annual Apportionment Reports.

APPENDIX C – Forms and Publications

C.1 Levy Forms and Publications

Form Number	Title
62 0055	Voted Bonds and Capital Project Levies – Timber Tax Distribution *
64-0001	Petition for Property Tax Refund
64 0004	Levy Limit Calculation for Districts Not Levying Since 1985
64-0007	Levy Calculation (Highest Lawful and Actual)
64 0034	Computation for School District Bond and Enrichment Levy
64 0096	Prorationing Worksheet for the 1% Constitutional Limit w/ Instructions
64 0097	Prorationing Worksheet for the $5.90 Aggregate Limit w/ Instructions
64-0100	Levy Certification
64-0101	Ordinance/Resolution

*Contact DOR Forest Tax Division for this form

C.2 Other Property Tax Forms and Publications

Other forms and publications are available on the Department's Web site at dor.wa.gov.

APPENDIX D – Subject Index

- A -

Advance taxes:

Deferred taxes ..... RCW 84.38.030 & 84.64.050

Disabled persons exemption ..... RCW 84.36.381 to 84.36.389 & WAC 458-16A-100 to 458-16A-150

Other exemptions ..... Chapter 84.36 RCW & Chapter 458-16 WAC

Personal property ..... RCW 84.56.070 & 84.56.090

Senior citizens exemption ..... RCW 84.36.381 to 84.36.389 & WAC 458-16A-100 to 458-16A-150

Affordable housing levy ..... RCW 84.52.105

Agreements between tax districts:

Authorization ..... RCW 39.67.010

Transfer of funds ..... RCW 39.67.020

Annual report to Department of Revenue .... RCW 36.21.100

Appeals of levy ..... RCW 84.08.140

Assessment districts:

Air pollution control ..... Chapter 70.94 RCW

Levy authorization ..... RCW 70.94.091

Airport ..... RCW 14.08.290 to 14.08.370 (county)

Cemetery ..... Chapter 68.52 RCW. See Cemetery district budget

City transportation authority area (LID) ..... RCW 35.95A.050

Diking ..... Chapter 85.08 RCW. Also see Diking

Diking & drainage ..... Chapter 85.24 RCW. See Diking & drainage

Drainage ..... Chapter 85.06 RCW. Also see Drainage

EMS district ..... RCW 36.32.480 & 84.52.069

Fire protection ..... Title 52 RCW. See Fire protection district levy

Flood control ..... Chapter 86.09 RCW. See Flood control

Flood control (county) ..... Chapter 86.12 RCW. See Flood control

Flood control zone ..... Chapter 86.15 RCW. See Flood control zone

Horticultural assessment district ..... RCW 15.09.135 & 15.09.131

Irrigation ..... Title 87 RCW. See Irrigation

Metro municipal corporation ..... Chapter 35.58 RCW

Levy authorization ..... RCW 35.58.090

Metropolitan park ..... Chapter 35.61 RCW. Look under City & metro park district

Mosquito control ..... Chapter 17.28 RCW. See Mosquito control

Park and recreation ..... Chapter 36.69 RCW

Park and recreation (county) ..... RCW 36.68.400 to 36.68.620. See County

Port ..... Title 53 RCW. See Port

Public hospital ..... Chapter 70.44 RCW. See Hospital district levy

Public utilities ..... Title 54 RCW. See Public utility district

Road improvement ..... Chapter 36.83 RCW

Road improvement (county) ..... Chapter 36.88 RCW

River and harbor improvement ..... Chapter 88.32 RCW

Rural library county ..... Chapter 27.12 RCW. Look under Library

Rural library intercounty ..... RCW 27.12.090. Look under Library

School ..... Chapter 28A.323 RCW. See Joint school district

Sewer ..... See Water-sewer district

Water-sewer ..... Chapter 57.20 RCW. Also see Water-sewer district

Weed ..... Chapter 17.04 RCW. See Weed district

Weed (intercounty) ..... Chapter 17.06 RCW. See Intercounty WD

For more information on assessment districts, see Taxing district.

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Ballot for excess tax levy ..... RCW 84.52.054

Ballots for local measures ..... Chapter 29A.36 RCW

Billing for property taxes:

Mailing ..... RCW 84.56.010 & 84.56.090

Tax statement ..... RCW 84.36.381, 84.56.020, & 84.56.050

Taxpayer (defined) ..... RCW 84.56.050

Bonds:

- Excess, when GO ..... RCW 84.52.052
- GO, excess election ..... RCW 84.52.056
- Mosquito GO ..... RCW 17.28.260
- Park GO ..... RCW 36.68.520
- Refunding bonds ..... RCW 84.52.056

Boundaries (taxing districts) ..... RCW 84.09.030

Boundaries (tax code areas) ..... RCW 84.09.035

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Cemetery district:

- Budget ..... RCW 68.52.290
- Levy authorization ..... RCW 68.52.290 & 68.52.310

City:

- Accident fund ..... RCW 35.31.050 & 35.31.060
- Annexed by fire or library district ..... (WAC 458-19-080) and
  - Fire ..... RCW 52.04.081
  - Library ..... RCW 27.12.390
- Budgets ..... RCW 84.52.020
- Certification to assessor ..... RCW 84.52.070
- Code accident fund ..... RCW 35A.31.050 & 35A.31.060
- Diking participation ..... RCW 85.24.250
- Disincorporation ..... RCW 35.07.180
- Emergency fund (fire, flood, etc.) ..... RCW 35.32A.060
- Estimates ..... RCW 84.52.020
- Fire fighter's pension fund ..... RCW 41.16.060
- Formation ..... RCW 35.58.090
- Guarantee fund ..... RCW 35.54.010
- Land acquisition fund ..... RCW 35.56.190
- Limits ..... RCW 84.52.050
- Lowlands and waterways ..... RCW 35.56.190
- Park district fund ..... RCW 35.61.210

Park fund	RCW 35.61.210
Publicity fund	RCW 35.23.470
Sewer system fund	RCW 35.30.020
Voting excess	RCW 84.52.052
Warrant fund	RCW 35.56.190
City transportation authority area	RCW 35.95A.100
Classified forest land	Chapter 84.33 RCW. See Timber district formula
Collection for property taxes:	
Current year taxes	RCW 84.56.020
Delinquent taxes	RCW 1.12.070(3) & 84.56.020
Paid under protest	RCW 84.68.020
Sale of personal property	RCW 84.56.070
Tax distribution	RCW 84.56.230
Tax foreclosure	Chapter 84.64 RCW
Tax receipts	RCW 84.56.060
Waiver of interest & penalty	RCW 84.56.025
Community renewal areas (LID)	RCW 35.81.190
Conservation future levy	Chapter 89.08 RCW
County:	
Airport	RCW 14.08.290
Budget and levy	RCW 84.41.050
Certification to assessor	RCW 84.52.070
Current expense budget	RCW 36.40.090
Excess levy over 1% limit	RCW 84.52.052
Filing city, district budget	RCW 84.52.020
Flood control	Chapter 86.12 RCW
General levy (authorized)	RCW 36.40.090
Grounds for refunds	RCW 84.69.020
Horticultural districts	RCW 15.08.260, 15.08.270, 15.09.131 See also Horticultural district
Hospital levy	RCW 36.62.090
Land assessment fund	RCW 36.33.120 & 36.33.140

Limit ..... RCW 84.52.050
Mental health levy ..... RCW 71.20.110
New construction assessment ..... RCW 36.21.080
New construction mobile home ..... RCW 36.21.090
New construction permit ..... RCW 36.21.070
Park and recreation district ..... RCW 36.69.140 & 36.69.145
Park GO bonds ..... RCW 36.68.520
Park service area ..... RCW 36.68.525
Purpose (extend on rolls) ..... RCW 84.52.080
Rail district ..... RCW 36.60.040
Refund Fund ..... RCW 84.68.030 & 84.68.040
Revenue bonds ..... RCW 36.67.510
River improvement fund ..... RCW 86.12.010
Road and bridge district ..... RCW 36.83.040
Road improvement district ..... Chapter 36.88 RCW
Road levy ..... RCW 36.82.040 & 36.83.030
Road levy shift ..... RCW 36.33.220
Rural library ..... Chapter 27.12 RCW. Look under Library
State levy apportionment ..... WAC 458-19-550
Time of levy ..... RCW 84.52.030
Veteran relief ..... RCW 73.08.080
Warrant to collect tax ..... RCW 84.56.010

Cultural arts, stadium, etc. ..... RCW 67.38.110 & 67.38.130
Voting excess ..... RCW 84.52.052

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Delinquent assessments ..... Chapter 87.06 RCW
Destroyed property ..... RCW 84.70.010
Developmental disability levy ..... RCW 71.20.110
Diking and drainage (intercounty):
Levy authorization ..... RCW 85.24.250
Reassessment ..... RCW 85.24.200

Diking district: .....

Assessment collections ..... RCW 85.05.160 & 85.06.160

Assessment for benefit ..... RCW 85.15.150

Bonds ..... Chapter 85.38 RCW

Exemption from taxation ..... RCW 85.05.367

Payment of warrants ..... RCW 85.06.330

Warrants ..... RCW 85.18.170

Disputed value (calculation of rate) ..... RCW 84.52.018

Drainage district:

Assessment ..... RCW 85.08.410

Assessment for benefit ..... RCW 85.15.150

Bonds ..... Chapter 85.38 RCW

District funds ..... RCW 85.08.470

Foreclosure ..... RCW 85.15.150

Maintenance levy ..... RCW 85.16.020, others follow 85.15.150

Payment of assessments ..... RCW 85.08.430

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Excess levies:

Authorization ..... RCW 84.52.052

Ballot contents ..... RCW 84.52.054

Ballot proposition ..... RCW 39.36.050

Capital purposes ..... RCW 84.52.056

(Not capital purpose) ..... RCW 84.52.056

Eventual $ rate on rolls ..... RCW 84.52.054

Fire protection districts ..... RCW 84.52.130

Publication of election ..... RCW 84.52.052

School districts ..... RCW 84.52.053. Also see School district

Voting ..... RCW 84.52.052

Warrants ..... RCW 84.52.052

Exempt property (defined) ..... RCW 84.36.010

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Fire protection district levy ..... RCW 52.16.130 to 52.16.140 & 52.16.160

Fire/forest protection:

Exemptions ..... RCW 52.20.027

Rule-making authority ..... RCW 76.04.630

Taxation of land ..... RCW 52.16.170

Fire fighter's pension fund ..... RCW 41.16.060

Flood control ..... RCW 86.13.030 Intercounty river improvements

Flood control 1913 Act ..... RCW 86.13.010 County boundary line

Flood control levy ..... RCW 86.12.010 River improvement fund

Flood control zone ..... RCW 86.15.160 Funding

Foreclosures ..... Chapter 87.06 RCW & RCW 84.64.080

Forest fire protection ..... RCW 76.04.610

Forest land (defined) ..... RCW 84.33.035

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Historic property (defined) ..... RCW 84.26.020. See Special purpose property

Hospital district:

Levy authorization ..... RCW 70.44.060

Powers & duties ..... RCW 70.44.060

Horticultural district ..... RCW 15.08.260, 15.08.270, 15.09.131

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Intercounty river control levy ..... RCW 86.13.010 & 86.13.030

Intercounty weed district:

Action of county officers ..... RCW 17.06.070

Authorization ..... RCW 17.06.020

Boundaries ..... RCW 17.06.040

Defined ..... RCW 17.06.010

Directors (power & duty) ..... RCW 17.06.060

Formation ..... RCW 17.06.030
Meetings ..... RCW 17.06.050
Irrigation ..... RCW 87.84.070

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Joint school:

Administration ..... RCW 28A.323.040
Assessed value ..... RCW 28A.323.080
Collection of taxes ..... RCW 28A.323.100
Definition ..... RCW 28A.323.010
Directors ..... RCW 28A.323.060
Ratio of levy ..... RCW 28A.323.090

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- L -

Levy limitation:

and rate calculations ..... WAC 458-19-010
Annexation ..... RCW 84.55.030
WAC 458-19-035
Calculation ..... WAC 458-19-020
Consolidation of district ..... RCW 84.55.020
WAC 458-19-030
EMS levy ..... RCW 84.52.069
WAC 458-19-060
Levying less than the limit ..... WAC 458-19-070
Newly-formed taxing district ..... RCW 84.55.035
WAC 458-19-040
Port district ..... WAC 458-19-050
Proration of earmarked funds ..... WAC 458-19-055
Refund fund ..... RCW 84.55.070
WAC 458-19-085
Removal of limit (lid-lift) ..... RCW 84.55.050
WAC 458-19-045
Restoration of regular levy ..... RCW 84.55.015

WAC 458-19-025

Levy of taxes:

Abbreviations authorized ..... RCW 84.09.020
Amounts to be specific ..... RCW 84.52.010
Assessed = taxable value ..... RCW 84.52.040
Calculation of rate by assessor ..... RCW 84.52.010
Certification to assessor ..... RCW 84.52.070
Errors ..... RCW 84.64.080, 84.52.085
For levies on roll ..... RCW 84.56.010
Imposed in specific amount ..... RCW 84.52.010
Limitation ..... RCW 84.52.050 & 84.52.0502
Recomputation ..... RCW 84.52.010
Time ..... RCW 84.52.030
Voted in specific amounts ..... RCW 84.52.010

Levy rate (regular & consolidated):

$5.90 Limit ..... RCW 84.52.043
WAC 458-19-070
Fixed by assessor ..... RCW 84.52.010
Limited duration increase (lid-lift) ..... WAC 458-19-045, RCW 84.55.050
One percent levy limit calculation ..... WAC 458-19-075
Excess of 1% ..... RCW 84.52.052, 84.52.056, 84.52.130, 84.52.010, 84.52.050, & 84.52.054
Rate after excess election ..... RCW 84.52.054
Rate % (extension on rolls) ..... RCW 84.52.080
Uniformity ..... RCW 84.52.010

Library:

Annexation to city ..... RCW 27.12.390
Authorization ..... RCW 27.12.025
Establishment ..... RCW 27.12.030
Island excess & bond ..... RCW 27.12.050
Island regular levy ..... RCW 27.12.222 & 27.12.420
Rural ..... RCW 84.52.063
Rural (county) ..... RCW 27.12.050 & 27.12.222

Rural (intercounty) ..... RCW 27.12.150 & 27.12.222

Withdrawal reannexation ..... RCW 27.12.355

Limitations on regular property tax:

Annexation ..... RCW 84.55.030
WAC 458-19-035

Consolidation ..... RCW 84.55.020
WAC 458-19-030

Department of Revenue duties ..... RCW 84.55.060

Education program ..... RCW 84.55.060

Election for increase ..... RCW 84.55.050
WAC 458-19-045

Increase in dollar limits ..... RCW 84.55.040

Limitations prescribed ..... RCW 84.55.010
WAC 458-19-020

Newly-formed district ..... RCW 84.55.035
WAC 458-19-040

Refunds (exclusion) ..... RCW 84.55.070
WAC 458-19-085

Restoration of regular levy ..... RCW 84.55.015
WAC 458-19-025

Rules on rate calculations ..... RCW 84.55.060

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Maintenance assessments:

(Dike, flood control, etc.) ..... RCW 87.03.270

(Weed, mosquito, etc.) ..... RCW 17.04.250

Mental health levy ..... RCW 71.20.110

Metropolitan park district:

Authorization of levy ..... RCW 35.61.210

Budget ..... RCW 84.52.020

Voting excess ..... RCW 84.52.052

For more information, see chapter 35.61 RCW.

Mobile home (defined) ..... RCW 46.04.302 & 82.50.010

Mosquito control district:

Abatement ..... RCW 17.28.254

Annexation ..... RCW 17.28.320 to 17.28.350
Assessments ..... RCW 17.28.255 to 17.28.257
Board of trustees ..... RCW 17.28.110 to 17.28.150
Borrowing money ..... RCW 17.28.251
Boundaries ..... RCW 17.28.253
Breeding places ..... RCW 17.28.170
Certification of assessed value ..... RCW 17.28.310
Collection of revenue ..... RCW 17.28.270
Consolidation ..... RCW 17.28.360 to 17.28.410
Control of mosquitos ..... RCW 17.28.175 to 17.28.185
Counties ..... RCW 17.28.020
Declaration ..... RCW 17.28.090
Defined ..... RCW 17.28.010
Determining necessity ..... RCW 17.28.080
Dissolution ..... RCW 17.28.420 to 17.28.450
Excess levy ..... RCW 17.28.252
Expenses of special election ..... RCW 17.28.300
GO bonds ..... RCW 17.28.260
Hearings ..... RCW 17.28.060
Including other territory ..... RCW 17.28.070
Interference with work ..... RCW 17.28.250
Matching funds ..... RCW 17.28.290
Petition method ..... RCW 17.28.030 to 17.28.040
Powers of district ..... RCW 17.28.160
Regular levy ..... RCW 17.28.100
Resolution method ..... RCW 17.28.050
Withdrawal of funds ..... RCW 17.28.280

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Non high school district limit ..... RCW 84.52.050

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Open space (current use):

Defined ..... RCW 84.34.020

Levy authorized (conservation futures) ..... RCW 84.34.230

Special benefit assessments:

Connection charge ..... WAC 458-30-570

Creation of district ..... WAC 458-30-510

Definitions ..... RCW 84.34.310
WAC 458-30-500

Enforcement procedures ..... RCW 84.34.340

Exemption ..... RCW 84.34.380

Implementation ..... RCW 84.34.360

Inflation:

Calculation ..... WAC 458-30-590

Rates ..... WAC 458-30-590

Lien ..... RCW 84.34.330

Notification:

District ..... WAC 458-30-520

Owner ..... WAC 458-30-530

Partial assessment ..... WAC 458-30-560

Purpose ..... RCW 84.34.300

Removal of exemption ..... WAC 458-30-550

Use of payments ..... RCW 84.34.350

Waiver of exemption ..... RCW 84.34.320
WAC 458-30-540

Withdrawal or change ..... RCW 84.34.370

Tax rolls ..... RCW 84.34.035

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Personal property (defined) ..... RCW 84.04.080

Port district:

Budget ..... RCW 84.52.020

District dissolution ..... RCW 53.47.040

Dredging and canal ..... RCW 53.36.070 & 53.36.080

Exempt from 1% limit ..... RCW 84.52.050

General levy ..... RCW 53.36.020
Industrial development ..... RCW 53.36.100 & 84.55.045
WAC 458-19-050 & 458-19-05001
Levy limit ..... WAC 458-19-055
Public property (defined) ..... RCW 84.36.010
Public utility district:
Exempt from 1% limit ..... RCW 84.52.050
Levy ..... RCW 54.16.080

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- R -

Real property (defined) ..... RCW 84.04.090
Reclamation collection ..... RCW 89.30.397
Reclamation excess levy ..... RCW 89.30.391
Reclamation levy equalized ..... RCW 89.30.394
Refunds:
Adjudicated refund (refund fund) ..... Chapter 84.68 RCW
Administrative refund ..... RCW 84.69.020
Creation ..... RCW 84.68.030
Grounds for refund ..... RCW 84.69.020
Interest ..... RCW 84.69.100
Maintenance ..... RCW 84.68.040
Removal from levy limit ..... RCW 84.55.070
State ..... RCW 84.69.050
Tax code area ..... RCW 84.69.060
Regular property taxes (defined) ..... RCW 84.55.005
Relisting and relevy of tax adjudged void ..... RCW 84.56.430
Revaluation of property:
Assessment dates ..... RCW 84.40.040
Budget ..... RCW 84.41.050
Distinguished from levy ..... RCW 84.41.020
Listing ..... RCW 84.40.320

Schedule ..... RCW 84.41.030

Road district limit ..... RCW 84.52.050

Road improvement district ..... Chapter 36.83 RCW

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School district:

Boundary change ..... RCW 84.09.037

Budgets ..... RCW 84.52.020

Election for excess levy ..... RCW 84.52.053

Excess levies ..... RCW 84.52.053

Limit ..... RCW 84.52.053 & RCW 84.52.0531

Maximum levies ..... RCW 84.52.0531

Maximum levy percentage ..... RCW 84.52.0531

See also Joint school districts and chapter 28A.323 RCW.

Soil conservation district ..... RCW 89.08.220

Solid waste disposal district ..... RCW 36.58.150

Special purpose property:

Designated forest ..... Chapter 84.33 RCW

Dissolve inactive district ..... Chapter 36.96 RCW

Dissolve inactive district ..... Chapter 57.90 RCW for class A or AA county

Forest land valuation ..... RCW 84.33.130 & RCW 84.33.140

Historic property ..... Chapter 84.26 RCW & Chapter 458-15 WAC

Lien of taxes ..... Chapter 84.60 RCW

Lien on land ..... RCW 84.34.090

Open space ..... Chapter 84.34 RCW. See Open space

Supplement to tax roll ..... RCW 84.34.100

State:

Equalization of ..... RCW 84.48.080

In general ..... RCW 84.48.080

Include prior unpaid tax ..... RCW 84.48.110

Limitation ..... RCW 84.52.050

Time of levy ..... RCW 84.52.030

State school levies:

Amount	RCW 84.52.050 & 84.52.065
Disposition	RCW 84.52.067, 84.52.068
Limitation	RCW 84.52.050
Valuation	RCW 84.52.065
Part 1 and Part 2	RCW 84.52.065

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Tax Increment Financing Programs:

Community Revitalization Act (CRF)	Chapter 39.89 RCW
Local Infrastructure Financing Tool (LIFT)	Chapter 39.102 RCW
Local Revitalization Financing (LRF)	Chapter 39.104 RCW
Local Infrastructure Project Area Financing (LIPA)	Chapter 39.108 RCW
Local Tax Increment Finance Area	Chapter 39.114 RCW, RCW 84.55.010, RCW 84.55.0120
State Land Improvement Financing Area	Chapter 39.112 RCW

Tax rolls:

Adding exempt property	RCW 84.36.385 & 84.40.350 to 84.40.390
Adding new construction	RCW 36.21.080 & 84.40.040
Adding omitted property	RCW 84.40.040, 84.40.060, & 84.40.080
Board of equalization	RCW 84.48.010
Certificate of extension	RCW 84.52.080
Charge against treasurer	RCW 84.56.010
Destroyed property	Chapter 84.70 RCW
Eventual dollar rate	RCW 84.52.054
Extension	RCW 84.52.080
Historic property	Chapter 84.26 RCW Chapter 458-15 WAC
Omits	RCW 84.40.080 & 84.40.085
Open space	RCW 84.34.060. Also see Open Space
Orders by the BOE	WAC 458-14-116
Orders to obey DOR	RCW 84.08.120
Personal property	RCW 84.40.040

Refunds of taxes ..... RCW 84.69.020 & chapter 84.68 RCW
Removal from current use ..... RCW 84.34.108
Removal of exempt property ..... RCW 84.36.815 & 84.60.050 to 84.60.070
Removal of forest land ..... RCW 84.33.140
Segregations ..... RCW 84.56.340 & 84.56.360 to 84.56.380
Special assessment ..... Look under District (mosquito, weed, etc.)
When to deliver to treasurer ..... RCW 84.52.080

Taxing district:

Appeals ..... RCW 84.08.140
Assessed = taxable value ..... RCW 84.52.040
Boundaries ..... RCW 84.09.030
Boundary changes ..... WAC 458-50-130
Budgets ..... RCW 84.52.020 & 84.52.025
Certification of assessor (direct tax levy) .... RCW 84.52.070
County refund fund ..... RCW 84.68.040. Also see Refund fund
Definition ..... RCW 84.04.120
Designation ..... RCW 84.40.090
Easements ..... RCW 36.35.290
Estimates ..... RCW 84.52.080
Extension on rolls
(Effect on computation) ..... RCW 84.52.010
Fractional tax ..... RCW 84.52.080
Limitations ..... RCW 84.52.010
List of property (boundary changes) ..... WAC 458-12-140
List of property (tax district designation) .... WAC 458-12-140
Listing ..... RCW 84.40.040
Listing of exempt property ..... RCW 84.40.175
Listing of real estate ..... RCW 84.40.160
Rates fixed by assessor ..... RCW 84.52.010
Refunding bonds ..... RCW 84.52.056
School district (boundary change) ..... RCW 84.09.037
Time of levy ..... RCW 84.52.030

For more information on Taxing districts, see Assessment districts.

Television reception improvement district:

Boundaries ..... RCW 36.95.020
Budget ..... RCW 36.95.090
Claims ..... RCW 36.95.150
Delinquent tax and costs ..... RCW 36.95.110
Dissolution of district ..... RCW 36.95.200
District board ..... RCW 36.95.060 to 36.95.070 & 36.95.130
District treasurer (duties) ..... RCW 36.95.160
Formation ..... RCW 36.95.030
Formation restriction ..... RCW 36.95.210
Limit and exemption of tax ..... RCW 36.95.100
List of TV owners ..... RCW 36.95.080
Penalty ..... RCW 36.95.190
Petition ..... RCW 36.95.030 to 36.95.040
Prorating tax ..... RCW 36.95.120
Purpose ..... RCW 36.95.010
Reimbursed costs ..... RCW 36.95.180
Resolution (creating district) ..... RCW 36.95.050
Signals district ..... RCW 36.95.140

Timber distribution formula ..... RCW 84.33.081

Valuation:

Assessed = taxable value ..... RCW 84.52.040
Distinguish, revaluation ..... RCW 84.41.020

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- W -

Warrants (excess to pay) ..... RCW 84.52.052

Water–sewer district:

Bonds ..... RCW 57.20.105 & 57.20.019

Formation ..... RCW 57.04.050

Regular levy ..... RCW 57.20.105

Weed district:

Appellate review ..... RCW 17.04.230

Assessments ..... RCW 17.04.240 to 17.04.245

Authorization ..... RCW 17.04.010

Contiguous lands ..... RCW 17.04.160

County & state lands ..... RCW 17.04.180

Duties (district treasurer) ..... RCW 17.04.250

Duties (weed inspector) ..... RCW 17.04.190

Examination of expenses at hearing ..... RCW 17.04.220

Indian reservation ..... RCW 17.04.170

Limit of indebtedness ..... RCW 17.04.260

Meetings ..... RCW 17.04.070

Officials entering land ..... RCW 17.04.280

Petition ..... RCW 17.04.030 to 17.04.050

Powers (weed inspector) ..... RCW 17.04.150

Reorganization ..... RCW 17.04.270

Statement of expense ..... RCW 17.04.210

Violations ..... RCW 17.04.200

Withdrawal or reannexation of areas:

Calculation of taxes due ..... RCW 84.55.110

Fire protection district ..... RCW 35.61.360

Library district ..... RCW 27.12.355

Metro park district ..... RCW 35.61.360

Public hospital district ..... RCW 70.44.235

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APPENDIX E – Property Tax Districts Reference Table

TAXING DISTRICT & EARMARKED FUNDS	RCW AUTHORIZING LEVY	MAXIMUM RATE	REGULAR LEVIES			EXCESS LEVIES AUTHORIZED		COMMENTS
			LEVY LIMIT	5.90 LIMIT	1% LIMIT	General	Bond	
Affordable Housing	84.52.105	0.5000	Y	N	Y	N	N	
Air Pollution Control Agency	70.94.091	0.0000				Y	N	
Airport District – County	14.08.290	0.7500	Y	Y	Y	N	N	Voter authorization required
Cemetery District	68.52.290 68.52.310	0.1125	Y	Y	Y	Y	N	
City, Accident Fund	35.31.060	0.7500	Y	Y	Y			Within city levy limits
City, Accident Fund (Code City)	35A.31.070	0.7500	Y	Y	Y			Within city levy limits
City, Annexed to Fire District	52.04.081	3.6000	Y	Y	Y			Limited to $3.60 less fire district levy
City, Annexed to Library District	27.12.390	3.6000	Y	Y	Y			Limited to $3.60 less library district levy
City, Disincorporated	35.07.180	3.3750	Y	Y	Y			See section for Limits and Conditions
City, Emergency Fund	35.32A.060	0.3750	Y	Y	Y			Within city levy limits
City, Fire Fighter's Pension Fund	41.16.060	0.2250	Y	Y	Y			In addition to city levy limits with exceptions
City, General Levy	84.52.043	3.3750	Y	Y	Y	Y	Y	
City, Local Imp. Guaranty Fund	35.54.060	No Limit	N	N	Y			In addition to city levy limits
City, Lowlands & Waterway Project	35.56.190	0.7500	Y	Y	Y			Within city levy limits
City Transportation Authority Area	35.95A.100	1.50	Y	Y	Y	Y	Y	Voter authorization required
City Transportation Authority Area (LID)	35.95A.050	No Limit						
City, Unclassified Sewer Fund	35.30.020	1.2500	Y	Y	Y			Within city levy limits
Community Renewal Area (LID)	35.81.190	No Limit						
County Ferry District	36.54.130	0.75	Y	N	Y	Y	Y	County population 1.5 million or less

County Ferry District	36.54.130	0.075	Y	N	Y	Y	Y	County population 1.5 million or more
County, General Levy (CE)	36.40.090 84.52.043	1.800	Y	Y	Y	Y	Y	See RCW 84.52.043 for increases
County, Hospital Maintenance	36.62.090	0.5000	Y	Y	Y			Within county levy limits
County Transit		0.075	Y	N	Y	Y		County must have a population of 1.5 million or more
County, Lands Assessment Fund	36.33.120 36.33.140	0.1250	Y	Y	Y			Within county levy limits
County, Mental Health	71.20.110	0.0250	Y	Y	Y			Within county levy limits
County, Rail District	36.60.040	0.0000				Y	Y	
County, Road District	36.82.040	2.2500	Y	Y	Y	Y	Y	See RCW 84.52.043 for required decreases
County, Veteran's Relief Fund	73.08.080	0.2700	Y	Y	Y			Within County Levy Limits
Criminal Justice	84.52.135	0.5000	Y	N	Y			Levy limit does not apply 1st year
Cultural Access Program	ESB 2263	No rate limit	Y	Y	Y	N	N	Levied by counties and cities with voter approval. First year's levy based on percentage of sales and use tax.
Cultural Arts, Stadium & Convention District	67.38.110 67.38.130	0.2500	Y	Y	Y	Y	Y	Voter authorization required every 6 years
Diking & Drainage, Intercounty	85.24.250	0.1250	Y	Y	Y	N	N	Permits a City to participate with funds raised within its own levy
Emergency Medical Services	84.52.069	0.5000	Y	N	Y			Voter authorization required. May have 6-year, 10-year, or permanent levy.
Fire Protection District	52.16.130 52.16.140 52.16.160	0.5000 0.5000 0.5000	Y Y Y	Y Y Y	Y Y Y	Y	Y	
Regional Fire Protection Service Authority	52.26.060 52.26.140 52.26.180	0.5000 0.5000 0.5000	Y Y Y	Y Y Y	Y Y Y	Y	Y	Service plan vote.
Flood Control, County, River Imp.	86.12.010	0.2500	Y	Y	Y			Within county levy limits
Flood Control District--1935 Act	86.05.920	0.5000+	Y	Y	Y	N	Y	May be raised to $1.25 with voter approval. Repealed 1970 with Savings Clause (see 1935 c160; 1949 c82; & 1953 c20)

Flood Control, Joint Counties	86.13.010 86.13.030	0.2500	Y	Y	Y			Within county levy limits
Flood Control Zone District	86.15.160	0.5000	Y	Y	Y	Y	Y	
Horticultural Assessment District	15.09.131 15.09.135	No Limit						
Horticultural District	15.08.260 15.08.270 15.09.131	No Limit	Y	Y	Y			Within county levy limits
Hospital District, Public	70.44.060	0.7500	Y	Y	Y	Y	Y	
Irrigation & Rehabilitation District	87.84.070	0.0000				N	N	Special benefit assessment limited to $0.25 of land value unless authorized by the voters
Library District, County Rural	27.12.050 27.12.222	0.5000	Y	Y	Y	Y	Y	
Library District Intercounty Rural	27.12.150 27.12.222	0.5000	Y	Y	Y	Y	Y	
Library District, Island	27.12.222 27.12.420	0.5000	Y	Y	Y	Y	Y	
Library District, Rural	84.52.063	0.5000+	Y	Y	Y			Levy may be adjusted upward based upon the county's assessment ratio
Metropolitan Municipal Corp.	35.58.090 35.58.116	0.0000				Y	Y	
Metropolitan Park District	35.61.210	0.7500	Y	Y	Y	Y	Y	Statutory maximum rate could be less than $0.75 per $1,000 assessed value with voter approval.
Mosquito Control District	17.28.100 17.28.252 17.28.260	0.0000				Y	Y	
Open Space Land Acquisition (Conservation Futures)	84.34.230	0.0625	Y	N	Y	N	N	Outside county levy limits
Park & Recreation District	36.69.140 36.69.145	0.6000	Y	Y*	Y	Y	Y	Voter authorization required every 5 years. *Except for districts in King County on an island.
Park & Recreation Service Area	36.68.520 36.68.525	0.6000	Y	Y	Y	Y	Y	Voter authorization required every 6 years

Port District	53.36.020 53.36.070 53.36.100 * 53.47.040 SHB 1337 **	0.4500 0.4500 0.4500 0.4500	Y Y Y Y	N N N N	N N N N	N N N N		General levy—Exclusive of bond payments Voter authorization required 12-year Levy—2nd 6 years are subject to petition. Industrial development repayment of indebtedness upon dissolution RCW 53.36.020 rate limit may be exceeded due to bond debt payment. *Unable to levy per this statute as of January 1, 2026 **Start levying per this statute as of 1/1/2016
Public Facilities District	36.100.050	0.0000				Y	Y	
Public Utility District	54.16.080	0.4500	Y	N	N	N		General levy—Exclusive of bond payments
Reclamation District (1 Million Acres)	89.30.391	No Limit	Y	Y	Y			Voter authorization required
Regional Transit Authority	81.104.175	0.2500	Y	N	Y	N	N	Requires voter approval
Road & Bridge Service District	36.83.030 36.83.040	0.0000				Y	Y	
School District (Local)	84.52.053 and 84.52.054	No Limit	N	N	N	Y	Y	
Solid Waste Disposal District	36.58.150	0.0000				Y	Y	
State School Levy	84.52.065	2.40/2.70/ 3.60	Y	N	Y			Adjusted to individual county's assessment ratio. $2.70 aggregate rate only applies to collection years 2018, 2020 &2021. $2.40 aggregate rate only applies to collection year 2019.
Transportation Benefit District	36.73.060	0.0000				Y	Y	
Water-Sewer District	57.04.030 57.04.050 57.20.105 57.20.019	1.2500				Y	Y	Excess levy of $1.25 authorized at time of formation.