In Washington State, all \textbf{real} and \textbf{personal property} is subject to tax unless specifically exempted by law.

Property tax was the first tax levied in the state of Washington. Today, property tax accounts for about 30 percent of total state and local taxes. It continues to be the most important revenue source for public schools, fire protection, libraries, and parks and recreation.

This fact sheet provides general information about Washington’s property tax. For more information or to get answers to specific questions, please contact your local county assessor’s office.

The information contained in this fact sheet is current at the time of publication. However, state tax laws, their interpretation, and their application can change because of legislative action, reviews, or court decisions. This publication will not reflect such changes that occur after the date of printing.

\section*{PROPERTY VALUES}

State law requires that assessors appraise property \textbf{at 100 percent of its true and fair market value in money}, according to the highest and best use of the property. \textbf{Fair market value} or \textbf{true value} is the amount that a willing and unobligated buyer is willing to pay a willing and unobligated seller.

\section*{Real Property}

Real property includes land, improvements to land, structures, and certain equipment affixed to structures. Characteristics of real property that influence the value include but are not limited to zoning, location, view, geographic features, easements, covenants, and the condition of surrounding properties.

The assessor values real property using one or more of the following appraisal methods:

- \textbf{Market or sales comparison} – value is determined or estimated based on multiple sales of similar properties. Most residential property is valued using this method.
- \textbf{Cost Approach} – value is determined based on the cost of replacing an existing structure with a similar one that serves the same purpose. This method is used to value new construction.
- \textbf{Income} – value is determined based on the income producing potential of the property. This method is used primarily to value business property.
Changes to Property Values

Assessors must revalue real property at least once every four years. In some counties, properties are revalued each year and require physical inspection at least once every six years.

If your appraised property value changes, you will receive a “change of value notice” that lists the old and new appraised value of land and improvements. By comparing the two values, you can determine if your appraised property value has increased or decreased.

The assessed value of your property may be less than the appraised value if you are receiving any type of property tax exemption or reduction.

Valuation notices are NOT tax bills! An increase in value does not mean that next year’s property taxes will increase at a proportionate rate.

Appeal of Appraised Value

If you do not agree with the appraised value of your property, you are encouraged to contact your local county assessor’s office. Disagreements of property values are often settled at this level. You may request copies of the comparable sales information the assessor used to value your property.

If you are unable to reach an agreement, you may file a formal appeal with the County Board of Equalization in the county where the property is located. Appeal forms are available at the assessor’s office.

The completed petition must be filed by July 1 of the assessment year or within 30 days of the date the change of value notice was mailed, whichever date is later. Some counties have extended the filing deadline to 60 days. Please check with the Board of Equalization in the county where the property is located to determine your filing deadline.

Information Needed to Appeal

You are not required to have legal representation to appeal your property values to the County Board of Equalization. To appeal, you must show that the assessor erred in the appraisal. To do this, you must provide evidence that clearly shows that the appraised value does not reflect market value. This evidence may include information on sales of comparable properties in your area or documentation about conditions of the property that the assessor may not have known. For example, the land is not suitable for a septic system (does not “perk”) or is not suitable for building.

Please note, the County Board is appointed to determine questions of value and does not consider taxes.

You may also appeal the County Board’s decision to the State Board of Tax Appeals. Like the County Board, the State Board only considers questions of value. You may also pursue litigation in court.

Questions: If you have any questions about appeal procedures, please contact your local County Board of Equalization or the assessor’s office. The telephone numbers are listed in the county government section of the telephone directory.

Personal Property

The primary characteristic of personal property is mobility. Personal property includes furnishings, machinery and equipment, fixtures, supplies, and tools.

Most personal property owned by individuals is specifically exempt. However, if these items are used in a business, personal property tax applies. For detailed information about personal property tax, please refer to the Personal Property Tax fact sheet.

You must provide evidence that the Appraised Value does not reflect Market Value.
HOW TO PAY YOUR PROPERTY TAXES

Property tax statements are mailed in February of each year. To avoid penalties, at least half of the amount due must be paid by April 30 and the balance by October 31. You may pay your property tax in person or by mail. When paying by mail, be sure to write the tax parcel or account number on your check and include the tax statement payment stub.

Many lending companies pay the property tax for the homeowner from a property tax reserve account. In this case, tax statements are sent directly to the lending company. If your lending company pays the tax directly and you would like to receive information, please contact your local county treasurer’s office.

WHERE YOUR PROPERTY TAX MONEY GOES

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schools</td>
<td>55.9%</td>
</tr>
<tr>
<td>Counties</td>
<td>17.8%</td>
</tr>
<tr>
<td>Cities &amp; Towns</td>
<td>13.9%</td>
</tr>
<tr>
<td>Ports</td>
<td>1.5%</td>
</tr>
<tr>
<td>Fire</td>
<td>4.6%</td>
</tr>
<tr>
<td>*Other</td>
<td>6.3%</td>
</tr>
</tbody>
</table>

* Other includes regional library, parks and recreation, emergency medical, and hospital districts.

Questions: If you have questions about paying your property taxes, please contact your local county treasurer’s office.

CALCULATING YOUR TAXES

If you know the “assessed value” of your property and the tax levy rate, you can estimate the amount of tax. For example, if the assessed value of your property is $100,000 and the levy rate is $15 per thousand dollars of value, your estimated tax will be $1,500.

\[
\text{Value} \times \text{Levy Rate} = \text{Taxes}
\]

\[
\begin{align*}
\text{Value} & = 100,000 \\
\text{Levy Rate} & = 0.015 \ ($15 \text{ per 1000}) \\
\text{Taxes} & = 1,500 \text{ estimated tax}
\end{align*}
\]

January 2003
**Reductions**

**Damaged/Destroyed Property:** If your property is damaged or destroyed, you may qualify for a reduced assessed value for taxes payable in the following year. Application forms are available through the assessor’s office.

**Current Use/Open Space Program:** Owners of agricultural, open space, or timberland, may qualify for a reduced assessed value under the current use/open space program. Please note, tax, penalties, and interest charges may apply when property is removed from this classification.

Applications must be made by December 31 for classification in the following year. Application forms are available through the assessor’s office.

**Remodel - Three-year Tax Exemption on Value of Remodel:** If you improve your single family residence such as adding a new room, deck, or patio you may qualify for a three-year tax exemption on the value of the improvements. Normal maintenance does not qualify.

To receive the exemption, you must apply through your local county assessor’s office prior to completing your remodeling project.

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**Property Tax Exemption and Deferral Program**

If you are a senior citizen or a disabled person you may qualify for a property tax exemption or deferral. Household income and age, or disability determines eligibility.

**The Senior Citizens and Disabled Person Property Tax Exemption Program** freezes the value of your residence, (as of January 1 of the initial year of application) exempts all excess levies, and may exempt a portion of regular levies, thereby reducing the amount of property tax due.

**The Senior Citizen and Disabled Person Property Tax Deferral Program** allows you to defer your property taxes and special assessments in an amount up to 80 percent of the equity in your home. Unlike the tax exemption, deferred taxes are a lien on the property. This lien becomes payable, together with interest, upon sale, transfer, or inheritance of the property.

**Other Exemptions**

Churches, government units, and many nonprofit agencies are exempt from property tax if they use property for a tax-exempt purpose. The Department of Revenue determines which properties are entitled to the exemption based on laws enacted by the Legislature.

For more information regarding the exemption and deferral program, please refer to the corresponding *Property Tax Exemption or Deferral* fact sheets.
The one percent constitutional limit and the levy limit are two restrictions or limits that affect how high property tax rates can go.

The assessor uses the taxing district budget request, the total assessed value of the taxing district, and any applicable limitations to set the levy rate. Rates are expressed in dollars per every thousand dollars of assessed value.

### The One Percent Constitutional Limit
Washington’s State Constitution limits the regular (non-voted) combined property tax rate applied to an individual’s property to one percent ($10 per $1,000) of market valuation. Voters may approve special levies that are then added to this figure. For example, special levies for schools.

### The Levy Limit
The Levy Limit applies to a taxing district's budget and not to increases in the assessed value or tax bill of individual properties. Since 1985, taxing districts whose population is below 10,000 may collect a one percent increase in their regular, non-voted, levy over the highest lawful levy amount. The governing board of the district must pass a resolution authorizing this increase. Taxing districts with populations of 10,000 or more are limited to an increase in their highest lawful levy since 1985, to the inflation rate or one percent, whichever is less, with passage of a resolution. To increase above this amount, up to one percent, the district must pass a second resolution showing substantial need for additional funds.

New construction, annexations, and excess levies approved by the voters are not included in the levy limit. Therefore, a taxing district's actual revenue increase may be greater than one percent.

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**Need more information?**

The following publications are available from your local county assessor’s office. You may also obtain a copy from the Department of Revenue online at http://www.dor.wa.gov or by calling 1-800-647-7706.

- Personal Property Tax
- Nonprofit Organizations
- Property Tax Deferrals for Senior Citizens, and Disabled Persons
- Property Tax Exemptions for Senior Citizens, and Disabled Persons

**Questions**

Your local county assessor’s office can answer questions regarding:

- Assessed values
- Appeals
- Personal Property

Your local county treasurer’s office can answer questions regarding:

- Tax statements
- Paying property tax

Telephone numbers are located in the county government section (blue pages) of the directory.
IMPORTANT DATES TO REMEMBER

Jan. 1  Date real and personal property is subject to taxation and valuation.

Feb. 15  County treasurer mails tax bill on or after this date (based on previous year’s assessed value).

Apr. 30  First half of taxes due. Personal Property affidavits due.

July 1  Deadline for appeals to the County Board of Equalization on current year’s assessment; or 30 days from date of mailing, whichever date is later.

Aug. 31  New construction placed on current assessment roll.

Oct. 31  Second half property taxes due.

Dec. 31  Deadline for applications for Open Space classification.

Deadline for senior citizen and disabled persons property tax exemption claims filed with assessor.

Department of Revenue Taxpayer Assistance

To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 486-2342. Teletype (TTY) users, please call 1-800-451-7985.

http://dor.wa.gov

Field Office Locations

1904 Humboldt St Suite A
PO Box 1176
BELLENNHAM 98227-1176
(360) 676-2114

11627 Airport Rd Suite B
EVERETT 98204-8714
(425) 356-2911

2101 4th Ave Suite 1400
SEATTLE 98121-2300
(206) 956-3002

734 E First St Suite B
PO Box 400
PORT ANGELES 98362-0064
(360) 457-2564

20819 72nd Ave South
Suite 680
KENT 98032
(253) 437-3440

4407 N Division
Suite 300
SPOKANE 99207-1685
(509) 482-3800

630 N Chelan Ave Suite B-3
PO Box 220
WENATCHEE 98807-0220
(509) 663-9714

1714 S 16th Ave
YAKIMA 98902-5713
(509) 575-2783

22 W Kennewick Ave
PO Box 7207
KENNEWICK 99336-0616
(509) 585-1501

Lacey Center
4565 7th Avenue SE
LACEY 98513
(360) 486-2366

8008 NE 4th Plain Blvd
Suite 320
PO Box 1648
VANCOUVER 98668-1648
(360) 260-6176

3315 South 23rd St
Suite 300
PO Box 111180
TACOMA 98411-1180
(253) 593-2722

Telephone Information Center
1-800-647-7706

Prepared by the Taxpayer Services Division

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