

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. <u>Redd v. State Tax Commission</u> 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. <u>Barlow v. Kinnear</u> 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. <u>Carkonen v. Williams</u> 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	<p>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).</p> <p>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.</p> <p>Annual updating of property values is permitted.</p> <p>Standing timber is exempt from property tax, and an excise tax based on stumpage value is imposed to replace this revenue source.</p> <p>Expanded exemption is allowed for facilities of private schools.</p> <p>Moratorium is in effect until 1973 on leasehold estates. Selling costs can be deducted (overruled in 1972).</p> <p>Interest on delinquent property taxes is lowered from 10 percent to 5 percent per year up to \$500, with 10</p>

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	<p>Home improvement exemption is created: Up to 30 percent of the original value is exempt from property taxation for 3 years.</p> <p>Approval of SJR1 constitutionally limits all regular levies to 1 percent of the property value (\$10.00 per \$1,000 of assessed value).</p> <p>The requirement of 40 percent voter turnout for special levies is removed. (The 60 percent majority requirement for approval is retained).</p>
1973	<p>Assessment level is increased from 50 percent to 100 percent of true and fair value for 1975 taxes.</p> <p>Current use assessment of farm land is based on net cash rental value.</p> <p>Permanently affixed mobile homes are returned to the property tax system.</p>
1974	<p>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.</p> <p>Eight percent delinquency rate is established.</p> <p>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).</p> <p>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.</p> <p>An exemption for livestock is to be phased in.</p>
1975	<p>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.)</p> <p>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).</p>
1976	<p>64th Amendment to the state Constitution: Permits school districts to seek voter approval of two-year special levies.</p>
1977	<p>Qualifying income levels for the senior citizen exemption are increased by \$2,700.</p> <p>Property tax exemption for solar energy facilities is approved.</p> <p>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.</p>
1978	<p><u>Seattle School District v. State</u> requires full state funding of K-12 education.</p>
1979	<p>State levy for common school support is subject to 106 percent limitation.</p>
1980	<p>Senior citizen exemption is revised: The one-third exclusion for social security income is eliminated, but qualifying income levels are increased by \$3,000.</p> <p>Exemptions for gasohol manufacturing facilities and for added value of unconventional energy systems (until 1987) are authorized.</p> <p>Persons with life estates are eligible for senior citizen exemption.</p> <p>Compensating tax on open space lands is shifted from buyer to seller.</p> <p>Forest land value is adopted for 1982; it is to be updated by the Department of Revenue based on five-year average stumpage value.</p>
1981	<p>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).</p> <p>The foreclosure period is shortened from 5 years to 3 years (effective 5/83).</p> <p>Exemptions for nonprofit musical and artistic organizations and public assembly halls are established.</p> <p>Valuation reduction process is changed for property involved in natural disaster damage. It is no longer necessary to make application.</p> <p>Levy is allowed for park and recreation service areas. Statutory values established for forest lands.</p>

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 household 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	<p>Property belonging exclusively to federally recognized Indian tribes is eligible for exemption if the property is used for essential government services.</p> <p>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.</p> <p>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.</p>
2005	<p>The senior citizen and disabled person's exemption was extended to veterans with a 100 percent, service-connected disability.</p> <p>Taxing district's budget certification deadline was moved to November 30.</p> <p>A property tax exemption was created for newly installed sprinkler systems in nightclubs.</p> <p>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.</p> <p>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.</p> <p>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.</p>
2006	<p>Nonprofit exemptions for public assembly halls, veterans organizations, schools, and colleges were revised to allow expanded uses and rentals.</p> <p>The Legislature created a citizen commission for Performance Measurement of Tax Preferences. The commission will systematically review tax preferences over the next ten years.</p> <p>Senior Property Tax Deferral Program interest rate was lowered from 8 percent to 5 percent.</p> <p>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.</p> <p>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.</p>
2007	<p>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.</p> <p>The effective date for establishing boundaries for most taxing districts was changed from March 1 to August 1.</p> <p>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..</p>
2008	<p>Single year and multiple year lid lifts are considered temporary unless the ballot proposition approved by voters makes the increase permanent.</p> <p>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.</p>

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 or town does not exceed 300,000.

School districts may return to voters after they have received voter approval for a 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 150,00 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 rehabilitated multiple-unit dwellings in certain unincorporated urban centers.
