



Removal or Sale of Current Use Property

If the buyer requests to continue the current use classification and the Assessor's Office determines that the land qualifies for continuance, all buyers must sign a Notice of Continuance before the conveyance is recorded or filed. Also, the Assessor's Office must review and sign the Real Estate Excise Tax Affidavit before the sale is processed. The new owners also assume all tax liability accrued by the previous owner, including liability related to this classification.

If the buyer does not want to continue the classification, the seller must have the property removed from the program before the transfer. The additional tax, interest, and penalty must be paid prior-to or in-conjunction-with the sale.

In most cases additional tax becomes due anytime any portion of property is removed from these exemption programs. A complete list of exceptions to additional tax can be found in RCW 84.34.108(6) and for Designated Forest Land RCW 84.33.140(13).

Additional Tax for Farm & Agricultural and Open Space Land

Additional tax equals the difference between the tax paid under the current use classification and the tax that would have been due under the true and fair market value for the current year plus the last four years for Farm & Ag or seven years for Open Space, plus interest. A 20% penalty may also apply:

A 20% penalty is not applied when:

- At the time of withdrawal, the land was classified for at least 10 years, and
- The Assessor's Office has not given the owner a written Notice of Removal

Interest Calculations:

- Beginning January 1, 2023, a 9% interest rate (0.75% per month) is added for residential properties with 4 or fewer units on the parcel.
- All other properties and any period prior to 1/1/23: A 12% interest rate (1% per month) is added.

Compensating Tax for Designated Forest Land

Compensating tax is calculated by multiplying the difference between the current fair market value and the current forest land value, times the current tax rate, times the number of years in the program (not to exceed ten).