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HOUSE BILL 2447

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State of Washington                      52nd Legislature                      1992 Regular Session

By Representatives Wang and Fraser; by request of Governor Gardner

Read first time 01/16/92. Referred to Committee on Revenue.

1            AN ACT Relating to the taxation of conveyances of real property;  
2 amending RCW 82.45.010, 82.45.020, 82.45.030, 82.45.032, 82.45.060,  
3 82.45.070, 82.45.080, 82.45.090, 82.45.100, 82.45.150, 82.46.010,  
4 82.46.035, 82.46.050, 82.46.070, 84.26.080, 84.33.120, 84.33.140, and  
5 84.34.108; reenacting and amending RCW 82.46.040 and 82.46.060; adding  
6 a new section to chapter 82.45 RCW; repealing RCW 82.45.035, 82.45.105,  
7 and 82.45.120; providing an effective date; and declaring an emergency.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

9            **Sec. 1.** RCW 82.45.010 and 1981 c 93 s 1 are each amended to read  
10 as follows:

11            (1) As used in this chapter, the term (~~("sale" shall have its~~  
12 ~~ordinary meaning and shall include any)) "conveyance"(~~(7)~~) shall mean~~

13 the grant, assignment, quitclaim, sale, or other transfer of the

1 ownership of or title to real property(~~(, including standing timber, or~~  
2 ~~any estate or interest therein for a valuable consideration, and)~~).  
3 The term includes the grant, assignment, quitclaim, sale, or transfer  
4 of improvements constructed upon leased land.

5 (2) The term conveyance also includes any contract for ((such  
6 ~~conveyance,)) the grant, assignment, quitclaim, sale, or transfer((,  
7 ~~and any lease with an option to purchase real property, including~~  
8 ~~standing timber, or any estate or interest therein or other contract))~~  
9 of real property where, under ((which)) the terms of the contract  
10 possession of the property is given to the ((purchaser)) contract  
11 vendee, or any other person ((by his)) at the vendee's direction,  
12 ((which)) and title to the property is retained by the vendor as  
13 security for the ((payment of the purchase price)) vendee's performance  
14 of the contract terms.~~

15 ~~((The term shall not include a transfer by gift, devise, or~~  
16 ~~inheritance, a transfer of any leasehold interest other than of the~~  
17 ~~type mentioned above, a cancellation or forfeiture of a vendee's~~  
18 ~~interest in a contract for the sale of real property, whether or not~~  
19 ~~such contract contains a forfeiture clause, or deed in lieu of~~  
20 ~~foreclosure of a mortgage or the assumption by a grantee of the balance~~  
21 ~~owing on an obligation which is secured by a mortgage or deed in lieu~~  
22 ~~of forfeiture of the vendee's interest in a contract of sale where no~~  
23 ~~consideration passes otherwise or the partition of property by tenants~~  
24 ~~in common by agreement or as the result of a court decree, any~~  
25 ~~transfer, conveyance, or assignment of property or interest in property~~  
26 ~~from one spouse to the other in accordance with the terms of a decree~~  
27 ~~of divorce or in fulfillment of a property settlement agreement~~  
28 ~~incident thereto, the assignment or other transfer of a vendor's~~  
29 ~~interest in a contract for the sale of real property, even though~~  
30 ~~accompanied by a conveyance of the vendor's interest in the real~~

1 property involved, transfers by appropriation or decree in condemnation  
2 proceedings brought by the United States, the state or any political  
3 subdivision thereof, or a municipal corporation, a mortgage or other  
4 transfer of an interest in real property merely to secure a debt, or  
5 the assignment thereof, any transfer or conveyance made pursuant to an  
6 order of sale by the court in any mortgage or lien foreclosure  
7 proceeding or upon execution of a judgment, or deed in lieu of  
8 foreclosure to satisfy a mortgage, a conveyance to the federal housing  
9 administration or veterans administration by an authorized mortgagee  
10 made pursuant to a contract of insurance or guaranty with the federal  
11 housing administration or veterans administration, nor a transfer in  
12 compliance with the terms of any lease or contract upon which the tax  
13 as imposed by this chapter has been paid or where the lease or contract  
14 was entered into prior to the date this tax was first imposed, nor the  
15 sale of any grave or lot in an established cemetery, nor a sale by or  
16 to the United States, this state or any political subdivision thereof,  
17 or a municipal corporation of this state.

18       The term sale shall further not include a transfer to a corporation  
19 or partnership which is wholly owned by the transferor and/or the  
20 transferor's spouse or children: PROVIDED, That if thereafter such  
21 transferee corporation or partnership voluntarily transfers such real  
22 property, or such transferor, spouse, or children voluntarily transfer  
23 stock in the transferee corporation or interest in the transferee  
24 partnership capital, as the case may be, to other than (1) the  
25 transferor and/or the transferor's spouse or children, (2) a trust  
26 having the transferor and/or the transferor's spouse or children as the  
27 only beneficiaries at the time of the transfer to the trust, or (3) a  
28 corporation or partnership wholly owned by the original transferor  
29 and/or the transferor's spouse or children, within five years of the  
30 original transfer to which this exemption applies, excise taxes shall

1 ~~become due and payable on the original transfer as otherwise provided~~  
2 ~~by law.))~~

3 (3) The term conveyance does not include the grant or transfer of  
4 an easement, leasehold, license, equitable servitude, or option to  
5 purchase.

6 **Sec. 2.** RCW 82.45.020 and 1980 c 154 s 1 are each amended to read  
7 as follows:

8 As used in this chapter the term (~~"seller,"~~) "transferor," unless  
9 otherwise indicated by the context, shall mean any individual,  
10 receiver, assignee, trustee in bankruptcy, trust, estate, firm,  
11 copartnership, joint venture, club, company, joint stock company,  
12 business trust, municipal corporation, quasi municipal corporation,  
13 corporation, association, society, or any group of individuals acting  
14 as a unit, whether mutual, cooperative, fraternal, nonprofit or  
15 otherwise; but it shall not include the United States or the state of  
16 Washington.

17 **Sec. 3.** RCW 82.45.030 and 1969 ex.s. c 223 s 28A.45.030 are each  
18 amended to read as follows:

19 As used in this chapter, the term (~~"selling price" means the~~  
20 ~~consideration, including~~) "taxable value" means the true and fair  
21 value of the property conveyed. Where property has been conveyed in an  
22 arm's length transaction between unrelated persons for a valuable  
23 consideration, the taxable value shall be equal to the total  
24 consideration paid or contracted to be paid to the transferor, or  
25 another for the transferor's benefit. The total consideration paid, or  
26 contracted to be paid, includes money or anything of value, paid or  
27 delivered or contracted to be paid or delivered in return for the  
28 transfer of the real property or estate or interest in real property,

1 and shall include the amount of any lien, mortgage, contract  
2 indebtedness, or other incumbrance, either given to secure the purchase  
3 price, or any part thereof, or remaining unpaid on such property at the  
4 time of ~~((sale))~~ conveyance.

5 ~~((The term))~~ Total consideration shall not include the amount of  
6 any outstanding lien or incumbrance in favor of the United States, the  
7 state, or a municipal corporation for ~~((the))~~ taxes, special benefits,  
8 or improvements.

9 Under circumstances where the total consideration for the  
10 conveyance cannot be ascertained or the true and fair value of the  
11 property at the time of the conveyance cannot reasonably be determined,  
12 the market value assessment for the property maintained on the county  
13 property tax rolls at the time of the conveyance shall be used as the  
14 taxable value.

15 **Sec. 4.** RCW 82.45.032 and 1986 c 211 s 1 are each amended to read  
16 as follows:

17 Unless the context clearly requires otherwise, the definitions in  
18 this section apply throughout this chapter.

19 (1) "Real estate" or "real property" means ~~((real property but~~  
20 ~~includes))~~ any interest or estate in land or anything affixed to land,  
21 including standing timber, used mobile homes ~~((and))~~, used floating  
22 homes, and improvements upon leased land.

23 (2) "Used mobile home" means a mobile home which has been  
24 previously sold at retail and has been subjected to tax under chapter  
25 82.08 RCW, or which has been previously used and has been subjected to  
26 tax under chapter 82.12 RCW, and which has substantially lost its  
27 identity as a mobile unit at the time of ~~((sale))~~ conveyance by virtue  
28 of its being fixed in location upon land owned or leased by the owner

1 of the mobile home and placed on a foundation (posts or blocks) with  
2 fixed pipe connections with sewer, water, and other utilities.

3 (3) "Mobile home" means a mobile home as defined by RCW 46.04.302,  
4 as now or hereafter amended.

5 (4) "Used floating home" means a floating home in respect to which  
6 tax has been paid under chapter 82.08 or 82.12 RCW.

7 (5) "Floating home" means a building on a float used in whole or in  
8 part for human habitation as a single-family dwelling, which is not  
9 designed for self propulsion by mechanical means or for propulsion by  
10 means of wind, and which is on the property tax rolls of the county in  
11 which it is located.

12 **Sec. 5.** RCW 82.45.060 and 1987 c 472 s 14 are each amended to read  
13 as follows:

14 ~~((1))~~ There is imposed an excise tax upon each ~~((sale))~~  
15 conveyance of real property at the rate of one and twenty-eight one-  
16 hundredths percent of the ~~((selling price))~~ taxable value of the  
17 property conveyed as determined under RCW 82.45.030. An amount equal  
18 to seven and seven-tenths percent of the proceeds of this tax to the  
19 state treasurer shall be deposited in the public works assistance  
20 account created in RCW 43.155.050.

21 ~~((2) There is imposed an additional excise tax through June 30,~~  
22 ~~1989, upon each sale of real property at the rate of six one-hundredths~~  
23 ~~of one percent of the selling price. The tax imposed under this~~  
24 ~~subsection shall be deposited in the conservation area account under~~  
25 ~~RCW 79.71.110.))~~ After June 30, 1993, an amount equal to four and  
26 eight-tenths percent of the proceeds of this tax to the state treasurer  
27 shall be deposited into the budget stabilization account created in RCW  
28 43.88.020.

1        NEW SECTION.    **Sec. 6.**    A new section is added to chapter 82.45 RCW  
2 to read as follows:

3        The following conveyances are exempt from the tax imposed by this  
4 chapter:

5        (1) A transfer of property by gift to a family member or to an  
6 entity exempt from federal income tax under section 501(c) of the  
7 internal revenue code. For purposes of this section, "family member"  
8 means the transferor, the transferor's spouse, grandparents, parents,  
9 children, grandchildren, sisters, or brothers.

10       (2) A transfer of property by devise or inheritance.

11       (3) An assignment or transfer of property from one spouse to  
12 another to establish or separate community property in accordance with  
13 the terms of a community property agreement; or to separate community  
14 property in accordance with the terms of a decree of divorce or in  
15 fulfillment of a property settlement agreement incident to a decree of  
16 divorce.

17       (4) A physical partition of property by tenants in common by  
18 agreement or as the result of a court decree.

19       (5) A family transfer.

20       (a) For this purpose a family transfer is any transfer:

21       (i) To a trust having family members of the transferor as the only  
22 beneficiaries at the time of the transfer to the trust; or

23       (ii) To a corporation or partnership wholly owned by one or more  
24 family members of the transferor.

25       (b) A family transfer also includes any subsequent transfer of  
26 property by a trust, corporation, or partnership described in (a) of  
27 this subsection to a transferee described in (a) of this subsection.

28       (c) The exemption provided in this subsection will not apply to any  
29 transfer, and tax will be due on such transfer if, within five years of  
30 the date of the transfer, the transferee corporation, partnership, or

1 trust voluntarily conveys the property, or a family member voluntarily  
2 transfers stock in the transferee corporation or an interest in the  
3 transferee partnership or trust, as the case may be, to other than a  
4 person described in (a) of this subsection.

5 (6) The creation or assignment of a security interest under a  
6 mortgage or deed of trust.

7 (7) The assignment or other transfer of a vendor's interest in a  
8 contract for the sale of real property, even though accompanied by a  
9 conveyance of the vendor's interest in the real property involved.

10 (8) A release or satisfaction of mortgage or full reconveyance of  
11 the beneficiary's interest under a deed of trust.

12 (9) A deed given to the vendee under a real estate contract upon  
13 fulfillment of the contract terms.

14 (10) A transfer or conveyance made pursuant to an order of sale by  
15 a court in any mortgage or lien foreclosure proceeding or upon  
16 execution of a judgment.

17 (11) A transfer by a trustee under a power of sale contained in a  
18 deed of trust.

19 (12) A deed in lieu of foreclosure of a mortgage or deed of trust  
20 given to the mortgagee or trust deed beneficiary.

21 (13) A declaration of contract forfeiture or deed given by the  
22 vendee to the vendor upon, or in lieu of, forfeiture of a real estate  
23 contract.

24 (14) A transfer of a grave or cemetery lot in an established  
25 cemetery.

26 (15) A transfer by a trustee in bankruptcy or pursuant to a court  
27 approved plan of reorganization under chapter 11 or 12 of the  
28 bankruptcy code.

29 (16) A transfer by appropriation or decree in condemnation  
30 proceedings brought by the United States, the state of Washington or

1 any of its political subdivisions, or a municipal corporation of this  
2 state.

3 (17) A transfer to the federal housing administration or the  
4 veteran's administration by an authorized mortgagee pursuant to a  
5 contract of insurance or guaranty with the federal housing  
6 administration or the veteran's administration.

7 (18) A transfer by a nominee to a third-party principal, provided  
8 that:

9 (a) The proper tax was paid on the transfer to the nominee;

10 (b) The third-party principal was in legal existence at the time of  
11 initial transfer;

12 (c) The funds used by the nominee to initially acquire the property  
13 were provided by the third-party principal; and

14 (d) The subsequent transfer from the nominee to the third-party  
15 principal is not for a greater consideration than that of the initial  
16 acquisition.

17 (19) A transfer by the United States, the state of Washington or  
18 any of its political subdivisions, or a municipal corporation of this  
19 state.

20 **Sec. 7.** RCW 82.45.070 and 1969 ex.s. c 223 s 28A.45.070 are each  
21 amended to read as follows:

22 The tax ~~((herein provided for and any))~~ imposed by this chapter,  
23 along with interest ((or penalties thereon)) accruing as provided in  
24 RCW 82.45.100, shall be a specific lien upon each ~~((piece))~~ parcel of  
25 real property ~~((sold))~~ conveyed from the time of ~~((sale))~~ conveyance  
26 until the tax ~~((shall have))~~ has been paid, which lien may be enforced  
27 in the manner prescribed for the foreclosure of mortgages. The lien  
28 provided under this section shall be perfected without further act and  
29 shall have priority over any lien arising after the conveyance.

1       **Sec. 8.** RCW 82.45.080 and 1980 c 154 s 3 are each amended to read  
2 as follows:

3       The tax levied under this chapter shall be the obligation of the  
4 ~~((seller))~~ transferor and the department of revenue may, at the  
5 department's option, enforce the obligation through an action of debt  
6 against the ~~((seller))~~ transferor or the department may proceed in the  
7 manner prescribed for the foreclosure of mortgages ~~((and))~~. Resort to  
8 one course of enforcement shall not ~~((be an election not to pursue))~~  
9 preclude the department from pursuing the other.

10       **Sec. 9.** RCW 82.45.090 and 1991 c 327 s 6 are each amended to read  
11 as follows:

12       The tax imposed by this chapter shall be paid to and collected by  
13 the treasurer of the county ~~((within))~~ in which the property conveyed  
14 is located ~~((the real property which was sold, said))~~. In collecting  
15 the tax the treasurer ~~((acting))~~ shall act as agent for the state. The  
16 county treasurer shall cause a stamp evidencing satisfaction of the  
17 lien to be affixed to the instrument of ~~((sale or))~~ conveyance prior to  
18 its recording or to the real estate excise tax affidavit in the case of  
19 sales of used mobile homes ~~((sales))~~ and used floating homes ~~((sales))~~.  
20 A receipt issued by the county treasurer for the payment of the tax  
21 imposed under this chapter shall be evidence of the satisfaction of the  
22 lien imposed hereunder and may be recorded in the manner prescribed for  
23 recording satisfactions of mortgages. No instrument ~~((of sale or~~  
24 ~~conveyance))~~ evidencing a ~~((sale))~~ conveyance subject to the tax shall  
25 be accepted by the county auditor for filing or recording until the tax  
26 ~~((shall have))~~ has been paid and the ~~((stamp affixed thereto))~~  
27 instrument has been stamped; in case the tax is not due on the  
28 ~~((transfer))~~ conveyance, the instrument shall not be so accepted until

1 suitable notation of such fact has been made on the instrument by the  
2 treasurer.

3 **Sec. 10.** RCW 82.45.100 and 1988 c 286 s 5 are each amended to read  
4 as follows:

5 (1) The tax imposed under this chapter is due and payable  
6 immediately at the time of (~~sale~~) conveyance, and if not paid within  
7 thirty days thereafter shall bear interest at the rate of one percent  
8 per month from the time of (~~sale~~) conveyance until the date of  
9 payment.

10 (2) In addition to the interest described in subsection (1) of this  
11 section, if the payment of any tax is not received by the county  
12 treasurer within thirty days of the date due, there shall be assessed  
13 a penalty of five percent of the amount of the tax; if the tax is not  
14 received within sixty days of the date due, there shall be assessed a  
15 total penalty of ten percent of the amount of the tax; and if the tax  
16 is not received within ninety days of the date due, there shall be  
17 assessed a total penalty of twenty percent of the amount of the tax.  
18 The payment of the penalty described in this subsection shall be  
19 collectible from the (~~seller~~) transferor only, and RCW 82.45.070 does  
20 not apply to the penalties described in this subsection.

21 (3) If upon examination of any affidavits or from other information  
22 obtained by the department or its agents it appears that all or a  
23 portion of the tax is unpaid, the department shall assess against the  
24 (~~taxpayer~~) transferor the additional amount found to be due plus  
25 interest and penalties as provided in subsections (1) and (2) of this  
26 section. If the department finds that all or any part of the  
27 deficiency resulted from an intent to evade the tax payable under this  
28 chapter, an additional penalty of fifty percent of the additional tax  
29 found to be due shall be added.

1 (4) No assessment or refund may be made by the department more than  
2 four years after the date of ((sale)) conveyance except upon a showing  
3 of fraud or of misrepresentation of a material fact by the ((taxpayer))  
4 transferor or a failure by the ((taxpayer)) transferor to record  
5 documentation of a ((sale)) conveyance or otherwise report the ((sale))  
6 conveyance to the county treasurer.

7 (5) Penalties collected pursuant to subsection (2) of this section  
8 shall be deposited in the housing trust fund as described in chapter  
9 43.185 RCW.

10 **Sec. 11.** RCW 82.45.150 and 1981 c 167 s 1 are each amended to read  
11 as follows:

12 All of chapter 82.32 RCW, except RCW 82.32.030, 82.32.040,  
13 82.32.050, 82.32.140, and 82.32.270 and except for the penalties and  
14 the limitations thereon imposed by RCW 82.32.090, applies to the tax  
15 imposed by this chapter, in addition to any other provisions of law for  
16 the payment and enforcement of the tax imposed by this chapter. The  
17 department of revenue shall by rule provide for the effective  
18 administration of this chapter. The rules shall ~~((also include a~~  
19 ~~manual which defines transactions which are taxable under))~~ prescribe  
20 and furnish a real estate transfer tax affidavit form to be used by  
21 each county in the collection and reporting of the tax imposed by this  
22 chapter. The department of revenue shall annually conduct audits of  
23 transactions and affidavits filed under this chapter.

24 **Sec. 12.** RCW 82.46.010 and 1990 1st ex.s. c 17 s 36 are each  
25 amended to read as follows:

26 (1) The governing body of any county or any city may impose an  
27 excise tax on each ((sale)) conveyance of real property in the  
28 unincorporated areas of the county for the county tax and in the

1 corporate limits of the city for the city tax at a rate not exceeding  
2 one-quarter of one percent of the (~~selling price~~) taxable value as  
3 defined in RCW 82.45.030. The revenues from this tax shall be used by  
4 the respective jurisdictions for local capital improvements, including  
5 those listed in RCW 35.43.040.

6 After July 1, 1990, revenues generated from the tax imposed under  
7 this subsection in counties and cities that are required or choose to  
8 plan under RCW 36.70A.040 shall be used primarily for financing capital  
9 projects specified in a capital facilities plan element of a  
10 comprehensive plan and housing relocation assistance under RCW  
11 59.18.440 and 59.18.450. However, revenues (a) pledged by such  
12 counties and cities to debt retirement prior to July 1, 1990, may  
13 continue to be used for that purpose until all outstanding debt is  
14 retired, or (b) committed prior to July 1, 1990, by such counties or  
15 cities to a capital project may continue to be used for that purpose  
16 until the project is completed.

17 (2) In lieu of imposing the tax authorized in RCW 82.14.030(2), the  
18 governing body of any county or any city may impose an additional  
19 excise tax on each (~~sale~~) conveyance of real property in the  
20 unincorporated areas of the county for the county tax and in the  
21 corporate limits of the city for the city tax at a rate not exceeding  
22 one-half of one percent of the (~~selling price~~) taxable value as  
23 defined in RCW 82.45.030.

24 (3) Taxes imposed under this section shall be collected from  
25 persons who are taxable by the state under chapter 82.45 RCW upon the  
26 occurrence of any taxable event within the unincorporated areas of the  
27 county or within the corporate limits of the city, as the case may be.

28 (4) Taxes imposed under this section shall comply with all  
29 applicable rules, regulations, laws, and court decisions regarding real  
30 estate excise taxes as imposed by the state under chapter 82.45 RCW.

1 (5) As used in this section, "city" means any city or town.

2 **Sec. 13.** RCW 82.46.035 and 1991 sp.s. c 32 s 33 are each amended  
3 to read as follows:

4 (1) The governing body of any county or any city that plans under  
5 RCW 36.70A.040(1) may impose an additional excise tax on each ((sale))  
6 conveyance of real property in the unincorporated areas of the county  
7 for the county tax and in the corporate limits of the city for the city  
8 tax at a rate not exceeding one-quarter of one percent of the ((selling  
9 price)) taxable value as defined in RCW 82.45.030. Any county choosing  
10 to plan under RCW 36.70A.040(2) and any city within such a county may  
11 only adopt an ordinance imposing the excise tax authorized by this  
12 section if the ordinance is first authorized by a proposition approved  
13 by a majority of the voters of the taxing district voting on the  
14 proposition at a general election held within the district or at a  
15 special election within the taxing district called by the district for  
16 the purpose of submitting such proposition to the voters.

17 (2) Revenues generated from the tax imposed under subsection (1) of  
18 this section shall be used by such counties and cities solely for  
19 financing capital projects specified in a capital facilities plan  
20 element of a comprehensive plan.

21 (3) Revenues generated by the tax imposed by this section shall be  
22 deposited in a separate account.

23 (4) As used in this section, "city" means any city or town.

24 (5) When the governor files a notice of noncompliance under RCW  
25 36.70A.340 with the secretary of state and the appropriate county or  
26 city, the county or city's authority to impose the additional excise  
27 tax under this section shall be temporarily rescinded until the  
28 governor files a subsequent notice rescinding the notice of  
29 noncompliance.

1       **Sec. 14.** RCW 82.46.040 and 1990 1st ex.s. c 17 s 39 and 1990 1st  
2 ex.s. c 5 s 4 are each reenacted and amended to read as follows:

3       Any tax imposed under this chapter (~~(or RCW 82.46.070)~~) and any  
4 interest or penalties thereon is a specific lien upon each piece of  
5 real property (~~(sold)~~) conveyed from the time of (~~(sale)~~) conveyance  
6 until the tax is paid, which lien may be enforced in the manner  
7 prescribed for the foreclosure of mortgages.

8       **Sec. 15.** RCW 82.46.050 and 1990 1st ex.s. c 17 s 40 are each  
9 amended to read as follows:

10       The taxes levied under this chapter are the obligation of the  
11 (~~(seller)~~) transferor and may be enforced through an action of debt  
12 against the (~~(seller)~~) transferor or in the manner prescribed for the  
13 foreclosure of mortgages. Resort to one course of enforcement is not  
14 an election not to pursue the other.

15       **Sec. 16.** RCW 82.46.060 and 1990 1st ex.s. c 17 s 41 and 1990 1st  
16 ex.s. c 5 s 5 are each reenacted and amended to read as follows:

17       Any taxes imposed under this chapter (~~(or RCW 82.46.070)~~) shall be  
18 paid to and collected by the treasurer of the county within which is  
19 located the real property which was (~~(sold)~~) conveyed. The treasurer  
20 shall act as agent for any city within the county imposing the tax.  
21 The county treasurer shall cause a stamp evidencing satisfaction of the  
22 lien to be affixed to the instrument of sale or conveyance prior to its  
23 recording or to the real estate excise tax affidavit in the case of  
24 used mobile home (~~(sales)~~) conveyances. A receipt issued by the county  
25 treasurer for the payment of the tax imposed under this chapter (~~(or~~  
26 ~~RCW 82.46.070)~~) shall be evidence of the satisfaction of the lien  
27 imposed in RCW 82.46.040 and may be recorded in the manner prescribed  
28 for recording satisfactions of mortgages. No instrument of sale or

1 conveyance evidencing a (~~sale~~) conveyance subject to the tax may be  
2 accepted by the county auditor for filing or recording until the tax is  
3 paid and the stamp affixed thereto; in case the tax is not due on the  
4 transfer, the instrument shall not be accepted until suitable notation  
5 of this fact is made on the instrument by the treasurer.

6 **Sec. 17.** RCW 82.46.070 and 1990 1st ex.s. c 5 s 3 are each amended  
7 to read as follows:

8 (1) Subject to subsection (2) of this section, the legislative  
9 authority of any county may impose an additional excise tax on each  
10 (~~sale~~) conveyance of real property in the county at a rate not to  
11 exceed one percent of the (~~selling price~~) taxable value as defined in  
12 RCW 82.45.030. The proceeds of the tax shall be used exclusively for  
13 the acquisition and maintenance of conservation areas.

14 The taxes imposed under this subsection shall be imposed in the  
15 same manner and on the same occurrences, and are subject to the same  
16 conditions, as the taxes under chapter 82.45 RCW, except:

17 (a) The tax shall be the obligation of the (~~purchaser~~)  
18 transferee; and

19 (b) The tax does not apply to the acquisition of conservation areas  
20 by the county.

21 The county may enforce the obligation through an action of debt  
22 against the (~~purchaser~~) transferee or may foreclose the lien on the  
23 property in the same manner prescribed for the foreclosure of  
24 mortgages.

25 The tax shall take effect thirty days after the election at which  
26 the taxes are authorized.

27 (2) No tax may be imposed under subsection (1) of this section  
28 unless approved by a majority of the voters of the county voting  
29 thereon for a specified period and maximum rate after:

1 (a) The adoption of a resolution by the county legislative  
2 authority of the county proposing this action; or

3 (b) The filing of a petition proposing this action with the county  
4 auditor, which petition is signed by county voters at least equal in  
5 number to ten percent of the total number of voters in the county who  
6 voted at the last preceding general election.

7 The ballot proposition shall be submitted to the voters of the  
8 county at the next general election occurring at least sixty days after  
9 a petition is filed, or at any special election prior to this general  
10 election that has been called for such purpose by the county  
11 legislative authority.

12 (3) A plan for the expenditure of the excise tax proceeds shall be  
13 prepared by the county legislative authority at least sixty days before  
14 the election if the proposal is initiated by resolution of the county  
15 legislative authority, or within six months after the tax has been  
16 authorized by the voters if the proposal is initiated by petition.  
17 Prior to the adoption of this plan, the elected officials of cities  
18 located within the county shall be consulted and a public hearing shall  
19 be held to obtain public input. The proceeds of this excise tax must  
20 be expended in conformance with this plan.

21 (4) As used in this section, "conservation area" has the meaning  
22 given under RCW 36.32.570.

23 **Sec. 18.** RCW 84.26.080 and 1986 c 221 s 6 are each amended to read  
24 as follows:

25 (1) When property has once been classified and valued as eligible  
26 historic property, it shall remain so classified and be granted the  
27 special valuation provided by RCW 84.26.070 for ten years or until the  
28 property is disqualified by:

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

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

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

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

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

13 (b) The new owner files a notice of compliance with the assessor of  
14 the county in which the property is located. Notice of compliance  
15 forms shall be prescribed by the state department of revenue and  
16 supplied by the county assessor. The notice shall contain a statement  
17 that the new owner is aware of the special valuation and of the  
18 potential tax liability involved when the property ceases to be valued  
19 as historic property under this chapter. The signed notice of  
20 compliance shall be attached to the real estate (~~excise~~) transfer tax  
21 affidavit provided for in RCW (~~82.45.120~~) 82.45.150. If the notice  
22 of compliance is not signed by the new owner and attached to the real  
23 estate excise tax affidavit, all additional taxes calculated pursuant  
24 to RCW 84.26.090 shall become due and payable by the seller or  
25 transferor at time of sale. The county auditor shall not accept an  
26 instrument of conveyance of specially valued historic property for  
27 filing or recording unless the new owner has signed the notice of  
28 compliance or the additional tax has been paid.

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

1 (4) Before the additional tax or penalty imposed by RCW 84.26.090  
 2 is levied, in the case of disqualification, the assessor shall notify  
 3 the taxpayer by mail, return receipt requested, of the  
 4 disqualification.

5 **Sec. 19.** RCW 84.33.120 and 1986 c 238 s 1 are each amended to read  
 6 as follows:

7 (1) In preparing the assessment rolls as of January 1, 1982, for  
 8 taxes payable in 1983 and each January 1st thereafter, the assessor  
 9 shall list each parcel of forest land at a value with respect to the  
 10 grade and class provided in this subsection and adjusted as provided in  
 11 subsection (2) of this section and shall compute the assessed value of  
 12 the land by using the same assessment ratio he applies generally in  
 13 computing the assessed value of other property in his county. Values  
 14 for the several grades of bare forest land shall be as follows.

15	LAND	OPERABILITY	VALUES
16	GRADE	CLASS	PER ACRE
17	-----		
18		1	\$141
19	1	2	136
20		3	131
21		4	95
22	-----		
23		1	118
24	2	2	114
25		3	110
26		4	80
27	-----		
28		1	93

1	3	2	90
2		3	87
3		4	66
4	-----		
5		1	70
6	4	2	68
7		3	66
8		4	52
9	-----		
10		1	51
11	5	2	48
12		3	46
13		4	31
14	-----		
15		1	26
16	6	2	25
17		3	25
18		4	23
19	-----		
20		1	12
21	7	2	12
22		3	11
23		4	11
24	-----		
25	8		1
26	-----		

27 (2) On or before December 31, 1981, the department shall adjust, by  
28 rule under chapter 34.05 RCW, the forest land values contained in  
29 subsection (1) of this section in accordance with this subsection, and

1 shall certify these adjusted values to the county assessor for his use  
2 in preparing the assessment rolls as of January 1, 1982. For the  
3 adjustment to be made on or before December 31, 1981, for use in the  
4 1982 assessment year, the department shall:

5 (a) Divide the aggregate value of all timber harvested within the  
6 state between July 1, 1976, and June 30, 1981, by the aggregate harvest  
7 volume for the same period, as determined from the harvester excise tax  
8 returns filed with the department under RCW 82.04.291 and 84.33.071;  
9 and

10 (b) Divide the aggregate value of all timber harvested within the  
11 state between July 1, 1975, and June 30, 1980, by the aggregate harvest  
12 volume for the same period, as determined from the harvester excise tax  
13 returns filed with the department under RCW 82.04.291 and 84.33.071;  
14 and

15 (c) Adjust the forest land values contained in subsection (1) of  
16 this section by a percentage equal to one-half of the percentage change  
17 in the average values of harvested timber reflected by comparing the  
18 resultant values calculated under (a) and (b) of this subsection.

19 For the adjustments to be made on or before December 31, 1982, and  
20 each succeeding year thereafter, the same procedure shall be followed  
21 as described in this subsection utilizing harvester excise tax returns  
22 filed under RCW 82.04.291 and this chapter except that this adjustment  
23 shall be made to the prior year's adjusted value, and the five-year  
24 periods for calculating average harvested timber values shall be  
25 successively one year more recent.

26 (3) In preparing the assessment roll for 1972 and each year  
27 thereafter, the assessor shall enter as the true and fair value of each  
28 parcel of forest land the appropriate grade value certified to him by  
29 the department of revenue, and he shall compute the assessed value of  
30 such land by using the same assessment ratio he applies generally in

1 computing the assessed value of other property in his county. In  
2 preparing the assessment roll for 1975 and each year thereafter, the  
3 assessor shall assess and value as classified forest land all forest  
4 land that is not then designated pursuant to RCW 84.33.120(4) or  
5 84.33.130 and shall make a notation of such classification upon the  
6 assessment and tax rolls. On or before January 15 of the first year in  
7 which such notation is made, the assessor shall mail notice by  
8 certified mail to the owner that such land has been classified as  
9 forest land and is subject to the compensating tax imposed by this  
10 section. If the owner desires not to have such land assessed and  
11 valued as classified forest land, he shall give the assessor written  
12 notice thereof on or before March 31 of such year and the assessor  
13 shall remove from the assessment and tax rolls the classification  
14 notation entered pursuant to this subsection, and shall thereafter  
15 assess and value such land in the manner provided by law other than  
16 this chapter 84.33 RCW.

17 (4) In any year commencing with 1972, an owner of land which is  
18 assessed and valued by the assessor other than pursuant to the  
19 procedures set forth in RCW 84.33.110 and this section, and which has,  
20 in the immediately preceding year, been assessed and valued by the  
21 assessor as forest land, may appeal to the county board of equalization  
22 by filing an application with the board in the manner prescribed in  
23 subsection (2) of RCW 84.33.130. The county board shall afford the  
24 applicant an opportunity to be heard if the application so requests and  
25 shall act upon the application in the manner prescribed in subsection  
26 (3) of RCW 84.33.130.

27 (5) Land that has been assessed and valued as classified forest  
28 land as of any year commencing with 1975 assessment year or earlier  
29 shall continue to be so assessed and valued until removal of

1 classification by the assessor only upon the occurrence of one of the  
2 following events:

3 (a) Receipt of notice from the owner to remove such land from  
4 classification as forest land;

5 (b) Sale or transfer to an ownership making such land exempt from  
6 ad valorem taxation;

7 (c) Determination by the assessor, after giving the owner written  
8 notice and an opportunity to be heard, that, because of actions taken  
9 by the owner, such land is no longer primarily devoted to and used for  
10 growing and harvesting timber;

11 (d) Determination that a higher and better use exists for such land  
12 than growing and harvesting timber after giving the owner written  
13 notice and an opportunity to be heard;

14 (e) Sale or transfer of all or a portion of such land to a new  
15 owner, unless the new owner has signed a notice of forest land  
16 classification continuance. The signed notice of continuance shall be  
17 attached to the real estate (~~excise~~) transfer tax affidavit provided  
18 for in RCW (~~82.45.120~~) 82.45.150, as now or hereafter amended. The  
19 notice of continuance shall be on a form prepared by the department of  
20 revenue. If the notice of continuance is not signed by the new owner  
21 and attached to the real estate excise tax affidavit, all compensating  
22 taxes calculated pursuant to subsection (7) of this section shall  
23 become due and payable by the seller or transferor at time of sale.  
24 The county auditor shall not accept an instrument of conveyance of  
25 classified forest land for filing or recording unless the new owner has  
26 signed the notice of continuance or the compensating tax has been paid.  
27 The seller, transferor, or new owner may appeal the new assessed  
28 valuation calculated under subsection (7) of this section to the county  
29 board of equalization. Jurisdiction is hereby conferred on the county  
30 board of equalization to hear these appeals.

1       The assessor shall remove classification pursuant to subsections  
2 (c) or (d) above prior to September 30 of the year prior to the  
3 assessment year for which termination of classification is to be  
4 effective. Removal of classification as forest land upon occurrence of  
5 subsection (a), (b), (d), or (e) above shall apply only to the land  
6 affected, and upon occurrence of subsection (c) shall apply only to the  
7 actual area of land no longer primarily devoted to and used for growing  
8 and harvesting timber: PROVIDED, That any remaining classified forest  
9 land meets necessary definitions of forest land pursuant to RCW  
10 84.33.100 as now or hereafter amended.

11       (6) Within thirty days after such removal of classification as  
12 forest land, the assessor shall notify the owner in writing setting  
13 forth the reasons for such removal. The owner of such land shall  
14 thereupon have the right to apply for designation of such land as  
15 forest land pursuant to subsection (4) of this section or RCW  
16 84.33.130. The seller, transferor, or owner may appeal such removal to  
17 the county board of equalization.

18       (7) Unless the owner successfully applies for designation of such  
19 land or unless the removal is reversed on appeal, notation of removal  
20 from classification shall immediately be made upon the assessment and  
21 tax rolls, and commencing on January 1 of the year following the year  
22 in which the assessor made such notation, such land shall be assessed  
23 on the same basis as real property is assessed generally in that  
24 county. Except as provided in subsections (5)(e) and (9) of this  
25 section and unless the assessor shall not have mailed notice of  
26 classification pursuant to subsection (3) of this section, a  
27 compensating tax shall be imposed which shall be due and payable to the  
28 county treasurer thirty days after the owner is notified of the amount  
29 of the compensating tax. As soon as possible, the assessor shall  
30 compute the amount of such compensating tax and mail notice to the

1 owner of the amount thereof and the date on which payment is due. The  
2 amount of such compensating tax shall be equal to:

3 (a) The difference, if any, between the amount of tax last levied  
4 on such land as forest land and an amount equal to the new assessed  
5 valuation of such land multiplied by the dollar rate of the last levy  
6 extended against such land, multiplied by

7 (b) A number, in no event greater than ten, equal to the number of  
8 years, commencing with assessment year 1975, for which such land was  
9 assessed and valued as forest land.

10 (8) Compensating tax, together with applicable interest thereon,  
11 shall become a lien on such land which shall attach at the time such  
12 land is removed from classification as forest land and shall have  
13 priority to and shall be fully paid and satisfied before any  
14 recognizance, mortgage, judgment, debt, obligation or responsibility to  
15 or with which such land may become charged or liable. Such lien may be  
16 foreclosed upon expiration of the same period after delinquency and in  
17 the same manner provided by law for foreclosure of liens for delinquent  
18 real property taxes as provided in RCW 84.64.050. Any compensating tax  
19 unpaid on its due date shall thereupon become delinquent. From the  
20 date of delinquency until paid, interest shall be charged at the same  
21 rate applied by law to delinquent ad valorem property taxes.

22 (9) The compensating tax specified in subsection (7) of this  
23 section shall not be imposed if the removal of classification as forest  
24 land pursuant to subsection (5) of this section resulted solely from:

25 (a) Transfer to a government entity in exchange for other forest  
26 land located within the state of Washington;

27 (b) A taking through the exercise of the power of eminent domain,  
28 or sale or transfer to an entity having the power of eminent domain in  
29 anticipation of the exercise of such power;

1 (c) Sale or transfer of land within two years after the death of  
2 the owner of at least a fifty percent interest in such land;

3 (d) A donation of development rights, or the right to harvest  
4 timber, to a government agency or organization qualified under RCW  
5 84.34.210 and 64.04.130 for the purposes enumerated in those sections  
6 or the sale or transfer of fee title to a governmental entity or  
7 nonprofit nature conservancy corporation, as defined in RCW 64.04.130,  
8 exclusively for the protection and conservation of lands recommended  
9 for state natural area preserve purposes by the natural heritage  
10 council and natural heritage plan as defined in chapter 79.70 RCW:  
11 PROVIDED, That at such time as the land is not used for the purposes  
12 enumerated, the compensating tax specified in subsection (7) of this  
13 section shall be imposed upon the current owner.

14 (10) With respect to any land that has been designated prior to May  
15 6, 1974, pursuant to RCW 84.33.120(4) or 84.33.130, the assessor may,  
16 prior to January 1, 1975, on his own motion or pursuant to petition by  
17 the owner, change, without imposition of the compensating tax provided  
18 under RCW 84.33.140, the status of such designated land to classified  
19 forest land.

20 **Sec. 20.** RCW 84.33.140 and 1986 c 238 s 2 are each amended to read  
21 as follows:

22 (1) When land has been designated as forest land pursuant to RCW  
23 84.33.120(4) or 84.33.130, a notation of such designation shall be made  
24 each year upon the assessment and tax rolls, a copy of the notice of  
25 approval together with the legal description or assessor's tax lot  
26 numbers for such land shall, at the expense of the applicant, be filed  
27 by the assessor in the same manner as deeds are recorded, and such land  
28 shall be graded and valued pursuant to RCW 84.33.110 and 84.33.120

1 until removal of such designation by the assessor upon occurrence of  
2 any of the following:

3 (a) Receipt of notice from the owner to remove such designation;

4 (b) Sale or transfer to an ownership making such land exempt from  
5 ad valorem taxation;

6 (c) Sale or transfer of all or a portion of such land to a new  
7 owner, unless the new owner has signed a notice of forest land  
8 designation continuance. The signed notice of continuance shall be  
9 attached to the real estate (~~excise~~) transfer tax affidavit provided  
10 for in RCW (~~82.45.120~~) 82.45.150, as now or hereafter amended. The  
11 notice of continuance shall be on a form prepared by the department of  
12 revenue. If the notice of continuance is not signed by the new owner  
13 and attached to the real estate excise tax affidavit, all compensating  
14 taxes calculated pursuant to subsection (3) of this section shall  
15 become due and payable by the seller or transferor at time of sale.  
16 The county auditor shall not accept an instrument of conveyance of  
17 designated forest land for filing or recording unless the new owner has  
18 signed the notice of continuance or the compensating tax has been paid.  
19 The seller, transferor, or new owner may appeal the new assessed  
20 valuation calculated under subsection (3) of this section to the county  
21 board of equalization. Jurisdiction is hereby conferred on the county  
22 board of equalization to hear these appeals;

23 (d) Determination by the assessor, after giving the owner written  
24 notice and an opportunity to be heard, that (i) such land is no longer  
25 primarily devoted to and used for growing and harvesting timber, (ii)  
26 such owner has failed to comply with a final administrative or judicial  
27 order with respect to a violation of the restocking, forest management,  
28 fire protection, insect and disease control and forest debris  
29 provisions of Title 76 RCW or any applicable regulations thereunder, or

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

3 Removal of designation upon occurrence of any of subsections (a)  
4 through (c) above shall apply only to the land affected, and upon  
5 occurrence of subsection (d) shall apply only to the actual area of  
6 land no longer primarily devoted to and used for growing and harvesting  
7 timber, without regard to other land that may have been included in the  
8 same application and approval for designation: PROVIDED, That any  
9 remaining designated forest land meets necessary definitions of forest  
10 land pursuant to RCW 84.33.100 as now or hereafter amended.

11 (2) Within thirty days after such removal of designation of forest  
12 land, the assessor shall notify the owner in writing, setting forth the  
13 reasons for such removal. The seller, transferor, or owner may appeal  
14 such removal to the county board of equalization.

15 (3) Unless the removal is reversed on appeal a copy of the notice  
16 of removal with notation of the action, if any, upon appeal, together  
17 with the legal description or assessor's tax lot numbers for the land  
18 removed from designation shall, at the expense of the applicant, be  
19 filed by the assessor in the same manner as deeds are recorded, and  
20 commencing on January 1 of the year following the year in which the  
21 assessor mailed such notice, such land shall be assessed on the same  
22 basis as real property is assessed generally in that county. Except as  
23 provided in subsection (5) of this section, a compensating tax shall be  
24 imposed which shall be due and payable to the county treasurer thirty  
25 days after the owner is notified of the amount of the compensating tax.  
26 As soon as possible, the assessor shall compute the amount of such  
27 compensating tax and mail notice to the owner of the amount thereof and  
28 the date on which payment is due. The amount of such compensating tax  
29 shall be equal to:

1 (a) The difference between the amount of tax last levied on such  
2 land as forest land and an amount equal to the new assessed valuation  
3 of such land multiplied by the dollar rate of the last levy extended  
4 against such land, multiplied by

5 (b) A number, in no event greater than ten, equal to the number of  
6 years for which such land was designated as forest land.

7 (4) Compensating tax, together with applicable interest thereon,  
8 shall become a lien on such land which shall attach at the time such  
9 land is removed from designation as forest land and shall have priority  
10 to and shall be fully paid and satisfied before any recognizance,  
11 mortgage, judgment, debt, obligation or responsibility to or with which  
12 such land may become charged or liable. Such lien may be foreclosed  
13 upon expiration of the same period after delinquency and in the same  
14 manner provided by law for foreclosure of liens for delinquent real  
15 property taxes as provided in RCW 84.64.050. Any compensating tax  
16 unpaid on its due date shall thereupon become delinquent. From the  
17 date of delinquency until paid, interest shall be charged at the same  
18 rate applied by law to delinquent ad valorem property taxes.

19 (5) The compensating tax specified in subsection (3) of this  
20 section shall not be imposed if the removal of designation pursuant to  
21 subsection (1) of this section resulted solely from:

22 (a) Transfer to a government entity in exchange for other forest  
23 land located within the state of Washington;

24 (b) A taking through the exercise of the power of eminent domain,  
25 or sale or transfer to an entity having the power of eminent domain in  
26 anticipation of the exercise of such power;

27 (c) Sale or transfer of land within two years after the death of  
28 the owner of at least a fifty percent interest in such land;

29 (d) A donation of development rights, or the right to harvest  
30 timber, to a government agency or organization qualified under RCW

1 84.34.210 and 64.04.130 for the purposes enumerated in those sections  
2 or the sale or transfer of fee title to a governmental entity or  
3 nonprofit nature conservancy corporation, as defined in RCW 64.04.130,  
4 exclusively for the protection and conservation of lands recommended  
5 for state natural area preserve purposes by the natural heritage  
6 council and natural heritage plan as defined in chapter 79.70 RCW:  
7 PROVIDED, That at such time as the land is not used for the purposes  
8 enumerated, the compensating tax specified in subsection (3) of this  
9 section shall be imposed upon the current owner.

10 **Sec. 21.** RCW 84.34.108 and 1989 c 378 s 35 are each amended to  
11 read as follows:

12 (1) When land has once been classified under this chapter, a  
13 notation of such designation shall be made each year upon the  
14 assessment and tax rolls and such land shall be valued pursuant to RCW  
15 84.34.060 or 84.34.065 until removal of all or a portion of such  
16 designation by the assessor upon occurrence of any of the following:

17 (a) Receipt of notice from the owner to remove all or a portion of  
18 such designation;

19 (b) Sale or transfer to an ownership making all or a portion of  
20 such land exempt from ad valorem taxation;

21 (c) Sale or transfer of all or a portion of such land to a new  
22 owner, unless the new owner has signed a notice of classification  
23 continuance. The signed notice of continuance shall be attached to the  
24 real estate ((excise)) transfer tax affidavit provided for in RCW  
25 ((82.45.120)) 82.45.150, as now or hereafter amended. The notice of  
26 continuance shall be on a form prepared by the department of revenue.  
27 If the notice of continuance is not signed by the new owner and  
28 attached to the real estate excise tax affidavit, all additional taxes  
29 calculated pursuant to subsection (3) of this section shall become due

1 and payable by the seller or transferor at time of sale. The county  
2 auditor shall not accept an instrument of conveyance of classified land  
3 for filing or recording unless the new owner has signed the notice of  
4 continuance or the additional tax has been paid. The seller,  
5 transferor, or new owner may appeal the new assessed valuation  
6 calculated under subsection (3) of this section to the county board of  
7 equalization. Jurisdiction is hereby conferred on the county board of  
8 equalization to hear these appeals;

9 (d) Determination by the assessor, after giving the owner written  
10 notice and an opportunity to be heard, that all or a portion of such  
11 land is no longer primarily devoted to and used for the purposes under  
12 which it was granted classification.

13 (2) Within thirty days after such removal of all or a portion of  
14 such land from current use classification, the assessor shall notify  
15 the owner in writing, setting forth the reasons for such removal. The  
16 seller, transferor, or owner may appeal such removal to the county  
17 board of equalization.

18 (3) Unless the removal is reversed on appeal, the assessor shall  
19 revalue the affected land with reference to full market value on the  
20 date of removal from classification. Both the assessed valuation  
21 before and after the removal of classification shall be listed and  
22 taxes shall be allocated according to that part of the year to which  
23 each assessed valuation applies. Except as provided in subsection (5)  
24 of this section, an additional tax shall be imposed which shall be due  
25 and payable to the county treasurer thirty days after the owner is  
26 notified of the amount of the additional tax. As soon as possible, the  
27 assessor shall compute the amount of such an additional tax and the  
28 treasurer shall mail notice to the owner of the amount thereof and the  
29 date on which payment is due. The amount of such additional tax shall  
30 be equal to:

1 (a) The difference between the property tax paid as "open space  
2 land", "farm and agricultural land", or "timber land" and the amount of  
3 property tax otherwise due and payable for the seven years last past  
4 had the land not been so classified; plus

5 (b) Interest upon the amounts of such additional tax paid at the  
6 same statutory rate charged on delinquent property taxes from the dates  
7 on which such additional tax could have been paid without penalty if  
8 the land had been assessed at a value without regard to this chapter.

9 (4) Additional tax, together with applicable interest thereon,  
10 shall become a lien on such land which shall attach at the time such  
11 land is removed from current use classification under this chapter and  
12 shall have priority to and shall be fully paid and satisfied before any  
13 recognizance, mortgage, judgment, debt, obligation or responsibility to  
14 or with which such land may become charged or liable. Such lien may be  
15 foreclosed upon expiration of the same period after delinquency and in  
16 the same manner provided by law for foreclosure of liens for delinquent  
17 real property taxes as provided in RCW 84.64.050 now or as hereafter  
18 amended. Any additional tax unpaid on its due date shall thereupon  
19 become delinquent. From the date of delinquency until paid, interest  
20 shall be charged at the same rate applied by law to delinquent ad  
21 valorem property taxes.

22 (5) The additional tax specified in subsection (3) of this section  
23 shall not be imposed if the removal of designation pursuant to  
24 subsection (1) of this section resulted solely from:

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

27 (b) A taking through the exercise of the power of eminent domain,  
28 or sale or transfer to an entity having the power of eminent domain in  
29 anticipation of the exercise of such power;

1 (c) Sale or transfer of land within two years after the death of  
2 the owner of at least a fifty percent interest in such land;

3 (d) A natural disaster such as a flood, windstorm, earthquake, or  
4 other such calamity rather than by virtue of the act of the landowner  
5 changing the use of such property;

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

9 (f) Transfer to a church and such land would qualify for property  
10 tax exemption pursuant to RCW 84.36.020; or

11 (g) Acquisition of property interests by state agencies or agencies  
12 or organizations qualified under RCW 84.34.210 and 64.04.130 for the  
13 purposes enumerated in those sections: PROVIDED, That at such time as  
14 these property interests are not used for the purposes enumerated in  
15 RCW 84.34.210 and 64.04.130 the additional tax specified in subsection  
16 (3) of this section shall be imposed.

17 NEW SECTION. **Sec. 22.** The following acts or parts of acts are  
18 each repealed:

19 (1) RCW 82.45.035 and 1969 ex.s. c 223 s 28A.45.035;

20 (2) RCW 82.45.105 and 1969 ex.s. c 223 s 28A.45.105; and

21 (3) RCW 82.45.120 and 1981 c 167 s 5, 1980 c 134 s 1, & 1969 ex.s.  
22 c 223 s 28A.45.120.

23 NEW SECTION. **Sec. 23.** This act is necessary for the immediate  
24 preservation of the public peace, health, or safety, or support of the  
25 state government and its existing public institutions, and shall take  
26 effect June 1, 1992.