
HOUSE BILL 2306

State of Washington 63rd Legislature 2014 Regular Session

By Representatives Lytton, Morris, and Blake

Read first time 01/15/14. Referred to Committee on Finance.

1 AN ACT Relating to current use valuation for farm and agricultural
2 land; amending RCW 84.34.020; and creating a new section.

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

4 **Sec. 1.** RCW 84.34.020 and 2011 c 101 s 1 are each amended to read
5 as follows:

6 As used in this chapter, unless a different meaning is required by
7 the context:

8 (1) "Open space land" means (a) any land area so designated by an
9 official comprehensive land use plan adopted by any city or county and
10 zoned accordingly, or (b) any land area, the preservation of which in
11 its present use would (i) conserve and enhance natural or scenic
12 resources, or (ii) protect streams or water supply, or (iii) promote
13 conservation of soils, wetlands, beaches or tidal marshes, or (iv)
14 enhance the value to the public of abutting or neighboring parks,
15 forests, wildlife preserves, nature reservations or sanctuaries or
16 other open space, or (v) enhance recreation opportunities, or (vi)
17 preserve historic sites, or (vii) preserve visual quality along
18 highway, road, and street corridors or scenic vistas, or (viii) retain
19 in its natural state tracts of land not less than one acre situated in

1 an urban area and open to public use on such conditions as may be
2 reasonably required by the legislative body granting the open space
3 classification, or (c) any land meeting the definition of farm and
4 agricultural conservation land under subsection (8) of this section.
5 As a condition of granting open space classification, the legislative
6 body may not require public access on land classified under (b)(iii) of
7 this subsection for the purpose of promoting conservation of wetlands.

8 (2) "Farm and agricultural land" means:

9 (a) Any parcel of land that is twenty or more acres ~~((or))~~,
10 multiple parcels of land that are contiguous and total twenty or more
11 acres, or multiple parcels that total twenty or more acres where all of
12 the parcels are part of a single, integrated farming operation:

13 (i) Devoted primarily to the production of livestock or
14 agricultural commodities for commercial purposes. A commercial purpose
15 includes livestock or agricultural commodity production activities that
16 do not directly produce gross income as long as the single, integrated
17 farming operation generates cash income by producing one or more
18 agricultural products;

19 (ii) Enrolled in the federal conservation reserve program or its
20 successor administered by the United States department of agriculture
21 or included in the implementation of a work plan under the voluntary
22 stewardship program established in RCW 36.70A.705; or

23 (iii) Other similar commercial activities as may be established by
24 rule;

25 (b)(i) Any parcel of land that is five acres or more but less than
26 twenty acres devoted primarily to agricultural uses, which has produced
27 a gross income from agricultural uses equivalent to, as of January 1,
28 1993:

29 (A) One hundred dollars or more per acre per year for three of the
30 five calendar years preceding the date of application for
31 classification under this chapter for all parcels of land that are
32 classified under this subsection or all parcels of land for which an
33 application for classification under this subsection is made with the
34 granting authority prior to January 1, 1993; and

35 (B) On or after January 1, 1993, two hundred dollars or more per
36 acre per year for three of the five calendar years preceding the date
37 of application for classification under this chapter;

1 (ii) For the purposes of (b)(i) of this subsection, "gross income
2 from agricultural uses" includes, but is not limited to, the wholesale
3 value of agricultural products donated to nonprofit food banks or
4 feeding programs;

5 (c) Any parcel of land of less than five acres devoted primarily to
6 agricultural uses which has produced a gross income as of January 1,
7 1993, of:

8 (i) One thousand dollars or more per year for three of the five
9 calendar years preceding the date of application for classification
10 under this chapter for all parcels of land that are classified under
11 this subsection or all parcels of land for which an application for
12 classification under this subsection is made with the granting
13 authority prior to January 1, 1993; and

14 (ii) On or after January 1, 1993, fifteen hundred dollars or more
15 per year for three of the five calendar years preceding the date of
16 application for classification under this chapter. Parcels of land
17 described in (b)(i)(A) and (c)(i) of this subsection will, upon any
18 transfer of the property excluding a transfer to a surviving spouse or
19 surviving state registered domestic partner, be subject to the limits
20 of (b)(i)(B) and (c)(ii) of this subsection;

21 (d) Any parcel of land that is five acres or more but less than
22 twenty acres devoted primarily to agricultural uses, which meet one of
23 the following criteria:

24 (i) Has produced a gross income from agricultural uses equivalent
25 to two hundred dollars or more per acre per year for three of the five
26 calendar years preceding the date of application for classification
27 under this chapter;

28 (ii) Has standing crops with an expectation of harvest within seven
29 years, except as provided in (d)(iii) of this subsection, and a
30 demonstrable investment in the production of those crops equivalent to
31 one hundred dollars or more per acre in the current or previous
32 calendar year. For the purposes of this subsection (2)(d)(ii),
33 "standing crop" means Christmas trees, vineyards, fruit trees, or other
34 perennial crops that: (A) Are planted using agricultural methods
35 normally used in the commercial production of that particular crop; and
36 (B) typically do not produce harvestable quantities in the initial
37 years after planting; or

1 (iii) Has a standing crop of short rotation hardwoods with an
2 expectation of harvest within fifteen years and a demonstrable
3 investment in the production of those crops equivalent to one hundred
4 dollars or more per acre in the current or previous calendar year;

5 (e) Any lands including incidental uses as are compatible with
6 agricultural purposes, including wetlands preservation, provided such
7 incidental use does not exceed (~~twenty~~) twenty-five percent of the
8 classified land and the land on which appurtenances necessary to the
9 production, preparation, or sale of the agricultural products exist in
10 conjunction with the lands producing such products. Agricultural lands
11 also include any parcel of land of one to five acres, which is not
12 contiguous, but which otherwise constitutes an integral part of farming
13 operations being conducted on land qualifying under this section as
14 "farm and agricultural lands";

15 (f) The land on which housing for employees and the principal place
16 of residence of the farm operator or owner of land classified pursuant
17 to (a) of this subsection is sited if: The housing or residence is on
18 or contiguous to the classified parcel; and the use of the housing or
19 the residence is (~~integral to the use of the classified land for~~
20 ~~agricultural purposes~~) for individuals working on the classified land
21 or for the owner of the classified land if the owner conducts his or
22 her commercial agricultural business from the residence; or

23 (g) Any land that is used primarily for equestrian related
24 activities for which a charge is made, including, but not limited to,
25 stabling, training, riding, clinics, schooling, shows, or grazing for
26 feed and that otherwise meet the requirements of (a), (b), or (c) of
27 this subsection.

28 (3) "Timber land" means any parcel of land that is five or more
29 acres or multiple parcels of land that are contiguous and total five or
30 more acres which is or are devoted primarily to the growth and harvest
31 of timber for commercial purposes. Timber land means the land only and
32 does not include a residential homesite. The term includes land used
33 for incidental uses that are compatible with the growing and harvesting
34 of timber but no more than ten percent of the land may be used for such
35 incidental uses. It also includes the land on which appurtenances
36 necessary for the production, preparation, or sale of the timber
37 products exist in conjunction with land producing these products.

1 (4) "Current" or "currently" means as of the date on which property
2 is to be listed and valued by the assessor.

3 (5) "Owner" means the party or parties having the fee interest in
4 land, except that where land is subject to real estate contract "owner"
5 means the contract vendee.

6 (6)(a) "Contiguous" means land adjoining and touching other
7 property held by the same ownership. Land divided by a public road,
8 but otherwise an integral part of a farming operation, is considered
9 contiguous.

10 (b) For purposes of this subsection (6):

11 (i) "Same ownership" means owned by the same person or persons,
12 except that parcels owned by different persons are deemed held by the
13 same ownership if the parcels are:

14 (A) Managed as part of a single operation; and

15 (B) Owned by:

16 (I) Members of the same family;

17 (II) Legal entities that are wholly owned by members of the same
18 family; or

19 (III) An individual who owns at least one of the parcels and a
20 legal entity or entities that own the other parcel or parcels if the
21 entity or entities are wholly owned by that individual, members of his
22 or her family, or that individual and members of his or her family.

23 (ii) "Family" includes only:

24 (A) An individual and his or her spouse or domestic partner, child,
25 stepchild, adopted child, grandchild, parent, stepparent, grandparent,
26 cousin, or sibling;

27 (B) The spouse or domestic partner of an individual's child,
28 stepchild, adopted child, grandchild, parent, stepparent, grandparent,
29 cousin, or sibling;

30 (C) A child, stepchild, adopted child, grandchild, parent,
31 stepparent, grandparent, cousin, or sibling of the individual's spouse
32 or the individual's domestic partner; and

33 (D) The spouse or domestic partner of any individual described in
34 (b)(ii)(C) of this subsection (6).

35 (7) "Granting authority" means the appropriate agency or official
36 who acts on an application for classification of land pursuant to this
37 chapter.

38 (8) "Farm and agricultural conservation land" means either:

1 (a) Land that was previously classified under subsection (2) of
2 this section, that no longer meets the criteria of subsection (2) of
3 this section, and that is reclassified under subsection (1) of this
4 section; or

5 (b) Land that is traditional farmland that is not classified under
6 chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a
7 use inconsistent with agricultural uses, and that has a high potential
8 for returning to commercial agriculture.

9 NEW SECTION. **Sec. 2.** This act applies to taxes levied for
10 collection in 2015 and thereafter.

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