

**WAC 458-61A-218 Low income housing.** (1) **Introduction.** Transfers of qualified low-income housing developments are not subject to the real estate excise tax. Transfers of controlling interests in qualified low-income housing developments are also not subject to the real estate excise tax. The real estate excise tax does apply to such transfers if, due to noncompliance with federal statutory requirements, the seller is subject to recapture, in whole or in part, of its allocated federal low-income housing tax credits within the four years prior to the date of transfer. RCW 82.45.010(3).

(2) **Definition.** For purposes of this section, "qualified low-income housing development" means real property and improvements in respect to which the seller or, in the case of a transfer of a controlling interest, the owner or beneficial owner, was allocated federal low-income housing tax credits. These are tax credits authorized under 26 U.S.C. Sec. 42, or a successor statute, and allocated by the Washington state housing finance commission.

(3) **Expiration.** This section does not apply to transfers of, or transfers of controlling interests in, qualified low-income housing developments occurring on or after July 1, 2035.

(4) **Refund limitation.** Refunds are not authorized for any tax liability imposed or authorized under chapter 82.45 or 82.46 RCW, and properly paid before July 1, 2018, with respect to a transfer of qualified low-income housing as defined in RCW 82.45.010 (3)(s).

[Statutory Authority: RCW 82.45.150, 82.32.300, and 82.01.060(2). WSR 18-24-103, § 458-61A-218, filed 12/4/18, effective 1/4/19.]