

Special Notice

Intended audience: County assessors, county treasurers, taxing districts, and local governments.

June 17, 2024

Legislative changes to property tax administration

The 2024 Legislature passed several bills relating to property tax administration. The effective date for these bills is June 6, 2024, unless otherwise noted.

SHB 1818 Concerning the exclusion of property tax when designated forestland or timberland is sold to a government entity

[Substitute House Bill 1818](#) creates an exception to the compensating tax when designated forestland is sold or transferred.

- No compensating tax is due on sale or transfer of designated forestland and no additional tax is due on the sale or transfer of timberland, if the sale is to a government entity and the government entity manages the land in the same manner as designated forestland or property classified as timberland (Chapter 84.33 RCW, Chapter 84.34 RCW).
- The government entity must provide the county assessors with a timber management plan, or a notice of intent to manage the land, once every revaluation cycle. This could be once every 4-6 years depending on the county assessor's revaluation plan, as required under the new exception. The timber management plan must be recorded in the county auditor's office, and government entity is responsible for recording fee.

SHB 2012 Updating funding source eligibility for nonprofits that provide affordable rental housing

The 2024 Legislature passed [Substitute House Bill 2012](#), expanding the property tax exemption under [RCW 84.36.560](#) for nonprofits that provide affordable rental housing or mobile home lots to qualifying households by allowing two additional funding sources. The following funding sources qualify for tax year 2025 and beyond:

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- An affordable housing levy authorized under RCW 84.55.050 (a voter-approved levy lid lift).
- City or county funds designated for affordable housing.

HB 2044 Standardizing limitations on voter-approved property tax levies

[House Bill 2044](#) amends [RCW 84.55.050](#), the levy lid lift statute. Specifically, the bill:

- Eliminates a property tax lid lift requirement on taxing districts in counties with a population of 1.5 million or more and says revenues from a property tax levy lid lift cannot replace existing funds used for the same purpose as the lid lift's specific purpose.
- Removes outdated provisions related to replacing revenues with revenues from lid lifts made by counties with a population less than 1.5 million.

SHB 2348 Concerning county hospital funding

[Substitute House Bill 2348](#) amends RCW 36.62.090, and other statutes, regarding the county hospital district property tax levy. The bill:

- Restricts the county hospital levy authority to only counties with a population of 2 million or more.
- Expands how the revenue from the levy can be used.
- Changes the levy to a stand-alone levy outside (or in addition to) the county's general levy. Reduces the maximum levy rate from \$0.50 per \$1,000 assessed value to \$0.20 per \$1,000 assessed value.
- Specifies that the 1% growth limit under RCW 84.55.010 does not apply to the first levy made by the county hospital district.
- Excludes the levy from the \$5.90 aggregate rate limit on regular property tax levies.

The property tax levy remains subject to the constitutional 1% aggregate levy limit.