

SUBSTITUTE HOUSE BILL 1450

State of Washington

57th Legislature

2001 Regular Session

By House Committee on Finance (originally sponsored by Representatives Rockefeller and Morris)

Read first time 02/15/2001. Referred to Committee on .

1 AN ACT Relating to relief from taxes resulting from transfers of
2 land after the death of the owner; amending RCW 84.33.120 and
3 84.33.140; and reenacting and amending RCW 84.34.108.

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

5 **Sec. 1.** RCW 84.33.120 and 1999 sp.s. c 4 s 702 are each amended to
6 read 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 or she applies generally
13 in computing the assessed value of other property in his or her county.
14 Values for the several grades of bare forest land shall be as follows.

15	LAND	OPERABILITY	VALUES
16	GRADE	CLASS	PER ACRE
18		1	\$141
19	1	2	136

1		3	131
2		4	95
3			
4		1	118
5	2	2	114
6		3	110
7		4	80
8			
9		1	93
10	3	2	90
11		3	87
12		4	66
13			
14		1	70
15	4	2	68
16		3	66
17		4	52
18			
19		1	51
20	5	2	48
21		3	46
22		4	31
23			
24		1	26
25	6	2	25
26		3	25
27		4	23
28			
29		1	12
30	7	2	12
31		3	11
32		4	11
33			
34	8		1
35			

36 (2) On or before December 31, 1981, the department shall adjust, by
37 rule under chapter 34.05 RCW, the forest land values contained in
38 subsection (1) of this section in accordance with this subsection, and
39 shall certify these adjusted values to the county assessor for his or

1 her use in preparing the assessment rolls as of January 1, 1982. For
2 the adjustment to be made on or before December 31, 1981, for use in
3 the 1982 assessment year, the department shall:

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

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

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

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

25 (3) In preparing the assessment roll for 1972 and each year
26 thereafter, the assessor shall enter as the true and fair value of each
27 parcel of forest land the appropriate grade value certified to him or
28 her by the department of revenue, and he or she shall compute the
29 assessed value of such land by using the same assessment ratio he or
30 she applies generally in computing the assessed value of other property
31 in his or her county. In preparing the assessment roll for 1975 and
32 each year thereafter, the assessor shall assess and value as classified
33 forest land all forest land that is not then designated pursuant to RCW
34 84.33.120(4) or 84.33.130 and shall make a notation of such
35 classification upon the assessment and tax rolls. On or before January
36 15 of the first year in which such notation is made, the assessor shall
37 mail notice by certified mail to the owner that such land has been
38 classified as forest land and is subject to the compensating tax
39 imposed by this section. If the owner desires not to have such land

1 assessed and valued as classified forest land, he or she shall give the
2 assessor written notice thereof on or before March 31 of such year and
3 the assessor shall remove from the assessment and tax rolls the
4 classification notation entered pursuant to this subsection, and shall
5 thereafter assess and value such land in the manner provided by law
6 other than this chapter 84.33 RCW.

7 (4) In any year commencing with 1972, an owner of land which is
8 assessed and valued by the assessor other than pursuant to the
9 procedures set forth in RCW 84.33.110 and this section, and which has,
10 in the immediately preceding year, been assessed and valued by the
11 assessor as forest land, may appeal to the county board of equalization
12 by filing an application with the board in the manner prescribed in
13 subsection (2) of RCW 84.33.130. The county board shall afford the
14 applicant an opportunity to be heard if the application so requests and
15 shall act upon the application in the manner prescribed in subsection
16 (3) of RCW 84.33.130.

17 (5) Land that has been assessed and valued as classified forest
18 land as of any year commencing with 1975 assessment year or earlier
19 shall continue to be so assessed and valued until removal of
20 classification by the assessor only upon the occurrence of one of the
21 following events:

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

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

26 (c) Determination by the assessor, after giving the owner written
27 notice and an opportunity to be heard, that, because of actions taken
28 by the owner, such land is no longer primarily devoted to and used for
29 growing and harvesting timber. However, land shall not be removed from
30 classification if a governmental agency, organization, or other
31 recipient identified in subsection (9) or (10) of this section as
32 exempt from the payment of compensating tax has manifested its intent
33 in writing or by other official action to acquire a property interest
34 in classified forest land by means of a transaction that qualifies for
35 an exemption under subsection (9) or (10) of this section. The
36 governmental agency, organization, or recipient shall annually provide
37 the assessor of the county in which the land is located reasonable
38 evidence in writing of the intent to acquire the classified land as
39 long as the intent continues or within sixty days of a request by the

1 assessor. The assessor may not request this evidence more than once in
2 a calendar year;

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

6 (e) 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 classification continuance, except transfer to an owner who is an heir
9 or devisee of a deceased owner, shall not, by itself, result in removal
10 of classification. The signed notice of continuance shall be attached
11 to the real estate excise tax affidavit provided for in RCW 82.45.150.
12 The notice of continuance shall be on a form prepared by the department
13 of revenue. If the notice of continuance is not signed by the new
14 owner and attached to the real estate excise tax affidavit, all
15 compensating taxes calculated pursuant to subsection (7) of this
16 section shall become due and payable by the seller or transferor at
17 time of sale. The county auditor shall not accept an instrument of
18 conveyance of classified forest land for filing or recording unless the
19 new owner has signed the notice of continuance or the compensating tax
20 has been paid, as evidenced by the real estate excise tax stamp affixed
21 thereto by the treasurer. The seller, transferor, or new owner may
22 appeal the new assessed valuation calculated under subsection (7) of
23 this section to the county board of equalization. Jurisdiction is
24 hereby conferred on the county board of equalization to hear these
25 appeals.

26 The assessor shall remove classification pursuant to (c) or (d) of
27 this subsection prior to September 30 of the year prior to the
28 assessment year for which termination of classification is to be
29 effective. Removal of classification as forest land upon occurrence of
30 (a), (b), (d), or (e) of this subsection shall apply only to the land
31 affected, and upon occurrence of (c) of this subsection shall apply
32 only to the actual area of land no longer primarily devoted to and used
33 for growing and harvesting timber: PROVIDED, That any remaining
34 classified forest land meets necessary definitions of forest land
35 pursuant to RCW 84.33.100.

36 (6) Within thirty days after such removal of classification as
37 forest land, the assessor shall notify the owner in writing setting
38 forth the reasons for such removal. The owner of such land shall
39 thereupon have the right to apply for designation of such land as

1 forest land pursuant to subsection (4) of this section or RCW
2 84.33.130. The seller, transferor, or owner may appeal such removal to
3 the county board of equalization.

4 (7) Unless the owner successfully applies for designation of such
5 land or unless the removal is reversed on appeal, notation of removal
6 from classification shall immediately be made upon the assessment and
7 tax rolls, and commencing on January 1 of the year following the year
8 in which the assessor made such notation, such land shall be assessed
9 on the same basis as real property is assessed generally in that
10 county. Except as provided in subsection (5)(e), (9), or (10) of this
11 section and unless the assessor shall not have mailed notice of
12 classification pursuant to subsection (3) of this section, a
13 compensating tax shall be imposed which shall be due and payable to the
14 county treasurer thirty days after the owner is notified of the amount
15 of the compensating tax. As soon as possible, the assessor shall
16 compute the amount of such compensating tax and mail notice to the
17 owner of the amount thereof and the date on which payment is due. The
18 amount of such compensating tax shall be equal to the difference, if
19 any, between the amount of tax last levied on such land as forest land
20 and an amount equal to the new assessed valuation of such land
21 multiplied by the dollar rate of the last levy extended against such
22 land, multiplied by a number, in no event greater than ten, equal to
23 the number of years, commencing with assessment year 1975, for which
24 such land was assessed and valued as forest land.

25 (8) Compensating tax, together with applicable interest thereon,
26 shall become a lien on such land which shall attach at the time such
27 land is removed from classification as forest land and shall have
28 priority to and shall be fully paid and satisfied before any
29 recognizance, mortgage, judgment, debt, obligation or responsibility to
30 or with which such land may become charged or liable. Such lien may be
31 foreclosed upon expiration of the same period after delinquency and in
32 the same manner provided by law for foreclosure of liens for delinquent
33 real property taxes as provided in RCW 84.64.050. Any compensating tax
34 unpaid on its due date shall thereupon become delinquent. From the
35 date of delinquency until paid, interest shall be charged at the same
36 rate applied by law to delinquent ad valorem property taxes.

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

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

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

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

17 (d) The sale or transfer of fee title to the parks and recreation
18 commission for park and recreation purposes;

19 (e) Official action by an agency of the state of Washington or by
20 the county or city within which the land is located that disallows the
21 present use of such land;

22 (f) The creation, sale, or transfer of forestry riparian easements
23 under RCW 76.13.120; ((or))

24 (g) The creation, sale, or transfer of a fee interest or a
25 conservation easement for the riparian open space program under RCW
26 76.09.040;

27 (h) The sale or transfer of land within two years after the death
28 of the owner of at least a fifty percent interest in the land if the
29 land has been assessed and valued as classified forest land, designated
30 as forest land under this chapter, or classified under chapter 84.34
31 RCW continuously since 1993;

32 (i) The sale or transfer of land after the death of the owner of at
33 least a fifty percent interest in the land if the land has been
34 assessed and valued as classified forest land, designated as forest
35 land under this chapter, or classified under chapter 84.34 RCW
36 continuously since 1993 and the sale or transfer takes place within two
37 years after the effective date of this section and the death of the
38 owner occurred after January 1, 1991; or

1 (j) The date of death shown on a death certificate is the date used
2 for the purpose of this subsection (9).

3 (10) In a county with a population of more than one million
4 inhabitants, the compensating tax specified in subsection (7) of this
5 section shall not be imposed if the removal of classification as forest
6 land pursuant to subsection (5) of this section resulted solely from:

7 (a) An action described in subsection (9) of this section; or

8 (b) A transfer of a property interest to a government entity, or to
9 a nonprofit historic preservation corporation or nonprofit nature
10 conservancy corporation, as defined in RCW 64.04.130, to protect or
11 enhance public resources, or to preserve, maintain, improve, restore,
12 limit the future use of, or otherwise to conserve for public use or
13 enjoyment, the property interest being transferred. At such time as
14 the property interest is not used for the purposes enumerated, the
15 compensating tax shall be imposed upon the current owner.

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

22 **Sec. 2.** RCW 84.33.140 and 1999 sp.s. c 4 s 703 are each amended to
23 read as follows:

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

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

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

36 (c) Sale or transfer of all or a portion of such land to a new
37 owner, unless the new owner has signed a notice of forest land
38 designation continuance, except transfer to an owner who is an heir or

1 devisee of a deceased owner, shall not, by itself, result in removal of
2 classification. The signed notice of continuance shall be attached to
3 the real estate excise tax affidavit provided for in RCW 82.45.150.
4 The notice of continuance shall be on a form prepared by the department
5 of revenue. If the notice of continuance is not signed by the new
6 owner and attached to the real estate excise tax affidavit, all
7 compensating taxes calculated pursuant to subsection (3) of this
8 section shall become due and payable by the seller or transferor at
9 time of sale. The county auditor shall not accept an instrument of
10 conveyance of designated forest land for filing or recording unless the
11 new owner has signed the notice of continuance or the compensating tax
12 has been paid, as evidenced by the real estate excise tax stamp affixed
13 thereto by the treasurer. The seller, transferor, or new owner may
14 appeal the new assessed valuation calculated under subsection (3) of
15 this section to the county board of equalization. Jurisdiction is
16 hereby conferred on the county board of equalization to hear these
17 appeals;

18 (d) Determination by the assessor, after giving the owner written
19 notice and an opportunity to be heard, that:

20 (i) Such land is no longer primarily devoted to and used for
21 growing and harvesting timber. However, land shall not be removed from
22 designation if a governmental agency, organization, or other recipient
23 identified in subsection (5) or (6) of this section as exempt from the
24 payment of compensating tax has manifested its intent in writing or by
25 other official action to acquire a property interest in designated
26 forest land by means of a transaction that qualifies for an exemption
27 under subsection (5) or (6) of this section. The governmental agency,
28 organization, or recipient shall annually provide the assessor of the
29 county in which the land is located reasonable evidence in writing of
30 the intent to acquire the designated land as long as the intent
31 continues or within sixty days of a request by the assessor. The
32 assessor may not request this evidence more than once in a calendar
33 year;

34 (ii) The owner has failed to comply with a final administrative or
35 judicial order with respect to a violation of the restocking, forest
36 management, fire protection, insect and disease control and forest
37 debris provisions of Title 76 RCW or any applicable regulations
38 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 (a) through (c) of
4 this subsection shall apply only to the land affected, and upon
5 occurrence of (d) of this subsection shall apply only to the actual
6 area of land no longer primarily devoted to and used for growing and
7 harvesting timber, without regard to other land that may have been
8 included in the same application and approval for designation:
9 PROVIDED, That any remaining designated forest land meets necessary
10 definitions of forest land pursuant to RCW 84.33.100.

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 (1)(c), (5), or (6) of this section, a
24 compensating tax shall be imposed which shall be due and payable to the
25 county treasurer thirty days after the owner is notified of the amount
26 of the compensating tax. As soon as possible, the assessor shall
27 compute the amount of such compensating tax and mail notice to the
28 owner of the amount thereof and the date on which payment is due. The
29 amount of such compensating tax shall be equal to the difference
30 between the amount of tax last levied on such land as forest land and
31 an amount equal to the new assessed valuation of such land multiplied
32 by the dollar rate of the last levy extended against such land,
33 multiplied by a number, in no event greater than ten, equal to the
34 number of years for which such land was designated as forest land.

35 (4) Compensating tax, together with applicable interest thereon,
36 shall become a lien on such land which shall attach at the time such
37 land is removed from designation as forest land and shall have priority
38 to and shall be fully paid and satisfied before any recognizance,
39 mortgage, judgment, debt, obligation or responsibility to or with which

1 such land may become charged or liable. Such lien may be foreclosed
2 upon expiration of the same period after delinquency and in the same
3 manner provided by law for foreclosure of liens for delinquent real
4 property taxes as provided in RCW 84.64.050. Any compensating tax
5 unpaid on its due date shall thereupon become delinquent. From the
6 date of delinquency until paid, interest shall be charged at the same
7 rate applied by law to delinquent ad valorem property taxes.

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

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

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

16 (c) A donation of fee title, development rights, or the right to
17 harvest timber, to a government agency or organization qualified under
18 RCW 84.34.210 and 64.04.130 for the purposes enumerated in those
19 sections, or the sale or transfer of fee title to a governmental entity
20 or a nonprofit nature conservancy corporation, as defined in RCW
21 64.04.130, exclusively for the protection and conservation of lands
22 recommended for state natural area preserve purposes by the natural
23 heritage council and natural heritage plan as defined in chapter 79.70
24 RCW: PROVIDED, That at such time as the land is not used for the
25 purposes enumerated, the compensating tax specified in subsection (3)
26 of this section shall be imposed upon the current owner;

27 (d) The sale or transfer of fee title to the parks and recreation
28 commission for park and recreation purposes;

29 (e) Official action by an agency of the state of Washington or by
30 the county or city within which the land is located that disallows the
31 present use of such land;

32 (f) The creation, sale, or transfer of forestry riparian easements
33 under RCW 76.13.120; ((or))

34 (g) The creation, sale, or transfer of a fee interest or a
35 conservation easement for the riparian open space program under RCW
36 76.09.040;

37 (h) The sale or transfer of land within two years after the death
38 of the owner of at least a fifty percent interest in the land if the
39 land has been assessed and valued as classified forest land, designated

1 as forest land under this chapter, or classified under chapter 84.34
2 RCW continuously since 1993;

3 (i) The sale or transfer of land after the death of the owner of at
4 least a fifty percent interest in the land if the land has been
5 assessed and valued as classified forest land, designated as forest
6 land under this chapter, or classified under chapter 84.34 RCW
7 continuously since 1993 and the sale or transfer takes place within two
8 years after the effective date of this section and the death of the
9 owner occurred after January 1, 1991; or

10 (j) The date of death shown on a death certificate is the date used
11 for the purpose of this subsection (5).

12 (6) In a county with a population of more than one million
13 inhabitants, the compensating tax specified in subsection (3) of this
14 section shall not be imposed if the removal of classification as forest
15 land pursuant to subsection (1) of this section resulted solely from:

16 (a) An action described in subsection (5) of this section; or

17 (b) A transfer of a property interest to a government entity, or to
18 a nonprofit historic preservation corporation or nonprofit nature
19 conservancy corporation, as defined in RCW 64.04.130, to protect or
20 enhance public resources, or to preserve, maintain, improve, restore,
21 limit the future use of, or otherwise to conserve for public use or
22 enjoyment, the property interest being transferred. At such time as
23 the property interest is not used for the purposes enumerated, the
24 compensating tax shall be imposed upon the current owner.

25 **Sec. 3.** RCW 84.34.108 and 1999 sp.s. c 4 s 706 and 1999 c 233 s 22
26 are each reenacted and amended to read as follows:

27 (1) When land has once been classified under this chapter, a
28 notation of such classification shall be made each year upon the
29 assessment and tax rolls and such land shall be valued pursuant to RCW
30 84.34.060 or 84.34.065 until removal of all or a portion of such
31 classification by the assessor upon occurrence of any of the following:

32 (a) Receipt of notice from the owner to remove all or a portion of
33 such classification;

34 (b) Sale or transfer to an ownership, except a transfer that
35 resulted from a default in loan payments made to or secured by a
36 governmental agency that intends to or is required by law or regulation
37 to resell the property for the same use as before, making all or a
38 portion of such land exempt from ad valorem taxation;

1 (c) Sale or transfer of all or a portion of such land to a new
2 owner, unless the new owner has signed a notice of classification
3 continuance, except transfer to an owner who is an heir or devisee of
4 a deceased owner shall not, by itself, result in removal of
5 classification. The notice of continuance shall be on a form prepared
6 by the department of revenue. If the notice of continuance is not
7 signed by the new owner and attached to the real estate excise tax
8 affidavit, all additional taxes calculated pursuant to subsection (4)
9 of this section shall become due and payable by the seller or
10 transferor at time of sale. The county auditor shall not accept an
11 instrument of conveyance of classified land for filing or recording
12 unless the new owner has signed the notice of continuance or the
13 additional tax has been paid, as evidenced by the real estate excise
14 tax stamp affixed thereto by the treasurer. The seller, transferor, or
15 new owner may appeal the new assessed valuation calculated under
16 subsection (4) of this section to the county board of equalization.
17 Jurisdiction is hereby conferred on the county board of equalization to
18 hear these appeals;

19 (d) Determination by the assessor, after giving the owner written
20 notice and an opportunity to be heard, that all or a portion of such
21 land no longer meets the criteria for classification under this
22 chapter. The criteria for classification pursuant to this chapter
23 continue to apply after classification has been granted.

24 The granting authority, upon request of an assessor, shall provide
25 reasonable assistance to the assessor in making a determination whether
26 such land continues to meet the qualifications of RCW 84.34.020 (1) or
27 (3). The assistance shall be provided within thirty days of receipt of
28 the request.

29 (2) Land may not be removed from classification because of:

30 (a) The creation, sale, or transfer of forestry riparian easements
31 under RCW 76.13.120; or

32 (b) The creation, sale, or transfer of a fee interest or a
33 conservation easement for the riparian open space program under RCW
34 76.09.040.

35 (3) Within thirty days after such removal of all or a portion of
36 such land from current use classification, the assessor shall notify
37 the owner in writing, setting forth the reasons for such removal. The
38 seller, transferor, or owner may appeal such removal to the county
39 board of equalization.

1 (4) Unless the removal is reversed on appeal, the assessor shall
2 revalue the affected land with reference to full market value on the
3 date of removal from classification. Both the assessed valuation
4 before and after the removal of classification shall be listed and
5 taxes shall be allocated according to that part of the year to which
6 each assessed valuation applies. Except as provided in subsection (6)
7 of this section, an additional tax, applicable interest, and penalty
8 shall be imposed which shall be due and payable to the county treasurer
9 thirty days after the owner is notified of the amount of the additional
10 tax. As soon as possible, the assessor shall compute the amount of
11 such an additional tax, applicable interest, and penalty and the
12 treasurer shall mail notice to the owner of the amount thereof and the
13 date on which payment is due. The amount of such additional tax,
14 applicable interest, and penalty shall be determined as follows:

15 (a) The amount of additional tax shall be equal to the difference
16 between the property tax paid as "open space land", "farm and
17 agricultural land", or "timber land" and the amount of property tax
18 otherwise due and payable for the seven years last past had the land
19 not been so classified;

20 (b) The amount of applicable interest shall be equal to the
21 interest upon the amounts of such additional tax paid at the same
22 statutory rate charged on delinquent property taxes from the dates on
23 which such additional tax could have been paid without penalty if the
24 land had been assessed at a value without regard to this chapter;

25 (c) The amount of the penalty shall be as provided in RCW
26 84.34.080. The penalty shall not be imposed if the removal satisfies
27 the conditions of RCW 84.34.070.

28 (5) Additional tax, applicable interest, and penalty, shall become
29 a lien on such land which shall attach at the time such land is removed
30 from classification under this chapter and shall have priority to and
31 shall be fully paid and satisfied before any recognizance, mortgage,
32 judgment, debt, obligation or responsibility to or with which such land
33 may become charged or liable. Such lien may be foreclosed upon
34 expiration of the same period after delinquency and in the same manner
35 provided by law for foreclosure of liens for delinquent real property
36 taxes as provided in RCW 84.64.050 now or as hereafter amended. Any
37 additional tax unpaid on its due date shall thereupon become
38 delinquent. From the date of delinquency until paid, interest shall be

1 charged at the same rate applied by law to delinquent ad valorem
2 property taxes.

3 (6) The additional tax, applicable interest, and penalty specified
4 in subsection (4) of this section shall not be imposed if the removal
5 of classification pursuant to subsection (1) of this section resulted
6 solely from:

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

9 (b)(i) A taking through the exercise of the power of eminent
10 domain, or (ii) sale or transfer to an entity having the power of
11 eminent domain in anticipation of the exercise of such power, said
12 entity having manifested its intent in writing or by other official
13 action;

14 (c) A natural disaster such as a flood, windstorm, earthquake, or
15 other such calamity rather than by virtue of the act of the landowner
16 changing the use of such property;

17 (d) Official action by an agency of the state of Washington or by
18 the county or city within which the land is located which disallows the
19 present use of such land;

20 (e) Transfer of land to a church when such land would qualify for
21 exemption pursuant to RCW 84.36.020;

22 (f) Acquisition of property interests by state agencies or agencies
23 or organizations qualified under RCW 84.34.210 and 64.04.130 for the
24 purposes enumerated in those sections: PROVIDED, That at such time as
25 these property interests are not used for the purposes enumerated in
26 RCW 84.34.210 and 64.04.130 the additional tax specified in subsection
27 (4) of this section shall be imposed;

28 (g) Removal of land classified as farm and agricultural land under
29 RCW 84.34.020(2)(d);

30 (h) Removal of land from classification after enactment of a
31 statutory exemption that qualifies the land for exemption and receipt
32 of notice from the owner to remove the land from classification;

33 (i) The creation, sale, or transfer of forestry riparian easements
34 under RCW 76.13.120; (~~(e)~~)

35 (j) The creation, sale, or transfer of a fee interest or a
36 conservation easement for the riparian open space program under RCW
37 76.09.040;

38 (k) The sale or transfer of land within two years after the death
39 of the owner of at least a fifty percent interest in the land if the

1 land has been assessed and valued as classified forest land, designated
2 as forest land under chapter 84.33 RCW, or classified under this
3 chapter continuously since 1993;

4 (l) The sale or transfer of land after the death of the owner of at
5 least a fifty percent interest in the land if the land has been
6 assessed and valued as classified forest land, designated as forest
7 land under chapter 84.33 RCW, or classified under this chapter
8 continuously since 1993 and the sale or transfer takes place within two
9 years after the effective date of this section and the death of the
10 owner occurred after January 1, 1991; or

11 (m) The date of death shown on a death certificate is the date used
12 for the purpose of this subsection (6).

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