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**SUBSTITUTE HOUSE BILL 2928**

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**State of Washington                      52nd Legislature                      1992 Regular Session**

**By** House Committee on Revenue (originally sponsored by Representatives Fraser, Wynne, Belcher, Morris, Wang, Dellwo, Scott and Jones)

Read first time 02/07/92.

1            AN ACT Relating to open spaces; amending RCW 84.33.120, 84.33.140,  
2 84.33.145, 84.34.020, 84.34.035, 84.34.037, 84.34.050, 84.34.060,  
3 84.34.065, 84.34.070, 84.34.080, 84.34.108, 84.34.145, 84.34.150,  
4 84.34.155, 84.34.160, 84.34.320, and 84.34.360; adding new sections to  
5 chapter 84.34 RCW; and providing an effective date.

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

7            **Sec. 1.** RCW 84.33.120 and 1986 c 238 s 1 are each amended to read  
8 as follows:

9            (1) In preparing the assessment rolls as of January 1, 1982, for  
10 taxes payable in 1983 and each January 1st thereafter, the assessor  
11 shall list each parcel of forest land at a value with respect to the  
12 grade and class provided in this subsection and adjusted as provided in  
13 subsection (2) of this section and shall compute the assessed value of  
14 the land by using the same assessment ratio he or she applies generally

1 in computing the assessed value of other property in his or her county.  
2 Values for the several grades of bare forest land shall be as follows.

3	LAND	OPERABILITY	VALUES
4	GRADE	CLASS	PER ACRE
5	-----		
6		1	\$141
7	1	2	136
8		3	131
9		4	95
10	-----		
11		1	118
12	2	2	114
13		3	110
14		4	80
15	-----		
16		1	93
17	3	2	90
18		3	87
19		4	66
20	-----		
21		1	70
22	4	2	68
23		3	66
24		4	52
25	-----		
26		1	51
27	5	2	48
28		3	46
29		4	31

1	-----		
2		1	26
3	6	2	25
4		3	25
5		4	23
6	-----		
7		1	12
8	7	2	12
9		3	11
10		4	11
11	-----		
12	8		1
13	-----		

14 (2) On or before December 31, 1981, the department shall adjust, by  
15 rule under chapter 34.05 RCW, the forest land values contained in  
16 subsection (1) of this section in accordance with this subsection, and  
17 shall certify these adjusted values to the county assessor for his or  
18 her use in preparing the assessment rolls as of January 1, 1982. For  
19 the adjustment to be made on or before December 31, 1981, for use in  
20 the 1982 assessment year, the department shall:

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

26 (b) Divide the aggregate value of all timber harvested within the  
27 state between July 1, 1975, and June 30, 1980, by the aggregate harvest  
28 volume for the same period, as determined from the harvester excise tax

1 returns filed with the department under RCW 82.04.291 and 84.33.071;  
2 and

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

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

14 (3) In preparing the assessment roll for 1972 and each year  
15 thereafter, the assessor shall enter as the true and fair value of each  
16 parcel of forest land the appropriate grade value certified to him or  
17 her by the department of revenue, and he or she shall compute the  
18 assessed value of such land by using the same assessment ratio he or  
19 she applies generally in computing the assessed value of other property  
20 in his or her county. In preparing the assessment roll for 1975 and  
21 each year thereafter, the assessor shall assess and value as classified  
22 forest land all forest land that is not then designated pursuant to RCW  
23 84.33.120(4) or 84.33.130 and shall make a notation of such  
24 classification upon the assessment and tax rolls. On or before January  
25 15 of the first year in which such notation is made, the assessor shall  
26 mail notice by certified mail to the owner that such land has been  
27 classified as forest land and is subject to the compensating tax  
28 imposed by this section. If the owner desires not to have such land  
29 assessed and valued as classified forest land, he or she shall give the  
30 assessor written notice thereof on or before March 31 of such year and

1 the assessor shall remove from the assessment and tax rolls the  
2 classification notation entered pursuant to this subsection, and shall  
3 thereafter assess and value such land in the manner provided by law  
4 other than this chapter 84.33 RCW.

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

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

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

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

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

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

1 (e) 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 forest land  
3 classification continuance except transfer to an owner who is an heir  
4 or devisee of a deceased owner, shall not, by itself, result in removal  
5 of classification. The signed notice of continuance shall be attached  
6 to the real estate excise tax affidavit provided for in RCW 82.45.120,  
7 as now or hereafter amended. The notice of continuance shall be on a  
8 form prepared by the department of revenue. If the notice of  
9 continuance is not signed by the new owner and attached to the real  
10 estate excise tax affidavit, all compensating taxes calculated pursuant  
11 to subsection (7) of this section shall become due and payable by the  
12 seller or transferor at time of sale. The county auditor shall not  
13 accept an instrument of conveyance of classified forest land for filing  
14 or recording unless the new owner has signed the notice of continuance  
15 or the compensating tax has been paid. The seller, transferor, or new  
16 owner may appeal the new assessed valuation calculated under subsection  
17 (7) of this section to the county board of equalization. Jurisdiction  
18 is hereby conferred on the county board of equalization to hear these  
19 appeals.

20 The assessor shall remove classification pursuant to subsections  
21 (c) or (d) above prior to September 30 of the year prior to the  
22 assessment year for which termination of classification is to be  
23 effective. Removal of classification as forest land upon occurrence of  
24 subsection (a), (b), (d), or (e) above shall apply only to the land  
25 affected, and upon occurrence of subsection (c) shall apply only to the  
26 actual area of land no longer primarily devoted to and used for growing  
27 and harvesting timber: PROVIDED, That any remaining classified forest  
28 land meets necessary definitions of forest land pursuant to RCW  
29 84.33.100 as now or hereafter amended.

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

8 (7) Unless the owner successfully applies for designation of such  
9 land or unless the removal is reversed on appeal, notation of removal  
10 from classification shall immediately be made upon the assessment and  
11 tax rolls, and commencing on January 1 of the year following the year  
12 in which the assessor made such notation, such land shall be assessed  
13 on the same basis as real property is assessed generally in that  
14 county. Except as provided in subsections (5)(e) and (9) of this  
15 section and unless the assessor shall not have mailed notice of  
16 classification pursuant to subsection (3) of this section, a  
17 compensating tax shall be imposed which shall be due and payable to the  
18 county treasurer thirty days after the owner is notified of the amount  
19 of the compensating tax. As soon as possible, the assessor shall  
20 compute the amount of such compensating tax and mail notice to the  
21 owner of the amount thereof and the date on which payment is due. The  
22 amount of such compensating tax shall be equal to:

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

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

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

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

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

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

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

23 ~~(d)))~~ A donation of development rights, or the right to harvest  
24 timber, to a government agency or organization qualified under RCW  
25 84.34.210 and 64.04.130 for the purposes enumerated in those sections  
26 or the sale or transfer of fee title to a governmental entity or  
27 nonprofit nature conservancy corporation, as defined in RCW 64.04.130,  
28 exclusively for the protection and conservation of lands recommended  
29 for state natural area preserve purposes by the natural heritage  
30 council and natural heritage plan as defined in chapter 79.70 RCW:



1 PROVIDED, That at such time as the land is not used for the purposes  
2 enumerated, the compensating tax specified in subsection (7) of this  
3 section shall be imposed upon the current owner.

4 (10) With respect to any land that has been designated prior to May  
5 6, 1974, pursuant to RCW 84.33.120(4) or 84.33.130, the assessor may,  
6 prior to January 1, 1975, on his or her own motion or pursuant to  
7 petition by the owner, change, without imposition of the compensating  
8 tax provided under RCW 84.33.140, the status of such designated land to  
9 classified forest land.

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

12 (1) When land has been designated as forest land pursuant to RCW  
13 84.33.120(4) or 84.33.130, a notation of such designation shall be made  
14 each year upon the assessment and tax rolls, a copy of the notice of  
15 approval together with the legal description or assessor's tax lot  
16 numbers for such land shall, at the expense of the applicant, be filed  
17 by the assessor in the same manner as deeds are recorded, and such land  
18 shall be graded and valued pursuant to RCW 84.33.110 and 84.33.120  
19 until removal of such designation by the assessor upon occurrence of  
20 any of the following:

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

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

24 (c) Sale or transfer of all or a portion of such land to a new  
25 owner, unless the new owner has signed a notice of forest land  
26 designation continuance except transfer to an owner who is an heir or  
27 devisee of a deceased owner, shall not, by itself, result in removal of  
28 classification. The signed notice of continuance shall be attached to  
29 the real estate excise tax affidavit provided for in RCW 82.45.120, as

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

14 (d) Determination by the assessor, after giving the owner written  
15 notice and an opportunity to be heard, that (i) such land is no longer  
16 primarily devoted to and used for growing and harvesting timber, (ii)  
17 such owner has failed to comply with a final administrative or judicial  
18 order with respect to a violation of the restocking, forest management,  
19 fire protection, insect and disease control and forest debris  
20 provisions of Title 76 RCW or any applicable regulations thereunder, or  
21 (iii) restocking has not occurred to the extent or within the time  
22 specified in the application for designation of such land.

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

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

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

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

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

26 (4) Compensating tax, together with applicable interest thereon,  
27 shall become a lien on such land which shall attach at the time such  
28 land is removed from designation as forest land and shall have priority  
29 to and shall be fully paid and satisfied before any recognizance,  
30 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) ~~((Sale or transfer of land within two years after the death of  
17 the owner of at least a fifty percent interest in such land;~~

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

1       **Sec. 3.** RCW 84.33.145 and 1986 c 315 s 3 are each amended to read  
2 as follows:

3       (1) If no later than thirty days after removal of classification or  
4 designation the owner applies for classification under RCW 84.34.020  
5 (1), (2), or (3), then the classified or designated forest land shall  
6 not be considered removed from classification or designation for  
7 purposes of the compensating tax under RCW 84.33.120 or 84.33.140 until  
8 the application for current use classification under RCW 84.34.030 is  
9 denied or the property is removed from designation under RCW 84.34.108.  
10 Upon removal from designation under RCW 84.34.108, the amount of  
11 compensating tax due under this chapter shall be equal to:

12       (a) The difference, if any, between the amount of tax last levied  
13 on such land as forest land and an amount equal to the new assessed  
14 valuation of such land when removed from designation under RCW  
15 84.34.108 multiplied by the dollar rate of the last levy extended  
16 against such land, multiplied by

17       (b) A number equal to:

18       (i) The number of years the land was classified or designated under  
19 this chapter, if the total number of years the land was classified or  
20 designated under this chapter and classified under chapter 84.34 RCW is  
21 less than ten; or

22       (ii) Ten minus the number of years the land was classified under  
23 chapter 84.34 RCW, if the total number of years the land was classified  
24 or designated under this chapter and classified under chapter 84.34 RCW  
25 is at least ten.

26       (2) Nothing in this section authorizes the continued classification  
27 or designation under this chapter or defers or reduces the compensating  
28 tax imposed upon forest land not transferred to classification under  
29 subsection (1) of this section which does not meet the necessary

1 definitions of forest land under RCW 84.33.100. Nothing in this  
2 section affects the additional tax imposed under RCW 84.34.108.

3 **Sec. 4.** RCW 84.34.020 and 1988 c 253 s 3 are each amended to read  
4 as follows:

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

7 (1) "Open space land" means (a) any land area so designated by an  
8 official comprehensive land use plan adopted by any city or county and  
9 zoned accordingly or (b) any land area, the preservation of which in  
10 its present use would (i) conserve and enhance natural or scenic  
11 resources, or (ii) protect streams or water supply, or (iii) promote  
12 conservation of soils, wetlands, beaches or tidal marshes, or (iv)  
13 enhance the value to the public of abutting or neighboring parks,  
14 forests, wildlife preserves, nature reservations or sanctuaries or  
15 other open space, or (v) enhance recreation opportunities, or (vi)  
16 preserve historic sites, or (vii) preserve visual quality along  
17 highway, road, and street corridors or scenic vistas, or (viii) retain  
18 in its natural state tracts of land not less than ((five)) one  
19 acre((s)) situated in an urban area and open to public use on such  
20 conditions as may be reasonably required by the legislative body  
21 granting the open space classification, or (c) any land meeting the  
22 definition of farm and agricultural conservation land under subsection  
23 (8) of this section.

24 (2) "Farm and agricultural land" means either (a) any parcel of  
25 land ((in any)) that is twenty or more acres or multiple parcels of  
26 land that are contiguous ((ownership of)) and total twenty or more  
27 acres (i) devoted primarily to the production of livestock or  
28 agricultural commodities for commercial purposes, ((or)) (ii) enrolled  
29 in the federal conservation reserve program or its successor

1 administered by the United States department of agriculture, or (iii)  
2 other similar commercial activities as may be established by rule  
3 following consultation with the advisory committee established in  
4 section 19 of this act; (b) any parcel of land that is five acres or  
5 more but less than twenty acres devoted primarily to agricultural uses,  
6 which has produced a gross income from agricultural uses equivalent to,  
7 as of the effective date of this act, (i) one hundred dollars or more  
8 per acre per year for three of the five calendar years preceding the  
9 date of application for classification under this chapter for all  
10 parcels of land that are classified under this subsection or all  
11 parcels of land for which an application for classification under this  
12 subsection is made with the granting authority prior to January 1,  
13 1993, and (ii) on or after January 1, 1993, two hundred dollars or more  
14 per acre per year for three of the five calendar years preceding the  
15 date of application for classification under this chapter; ((or)) (c)  
16 any parcel of land of less than five acres devoted primarily to  
17 agricultural uses which has produced a gross income as of the effective  
18 date of this act, of (i) one thousand dollars or more per year for  
19 three of the five calendar years preceding the date of application for  
20 classification under this chapter for all parcels of land that are  
21 classified under this subsection or all parcels of land for which an  
22 application for classification under this subsection is made with the  
23 granting authority prior to January 1, 1993, and (ii) on or after  
24 January 1, 1993, fifteen hundred dollars or more per year for three of  
25 the five calendar years preceding the date of application for  
26 classification under this chapter. Parcels of land described in (b)(i)  
27 and (c)(i) of this subsection shall, upon any transfer of the property  
28 excluding a transfer to a surviving spouse, be subject to the limits of  
29 (b)(ii) and (c)(ii) of this subsection. Agricultural lands shall also  
30 include ((farm woodlots of less than twenty and more than five acres))

1 such incidental uses as are compatible with agricultural purposes,  
2 including wetlands preservation, provided such incidental use does not  
3 exceed twenty percent of the classified land and the land on which  
4 appurtenances necessary to the production, preparation, or sale of the  
5 agricultural products exist in conjunction with the lands producing  
6 such products. Agricultural lands shall also include any parcel of  
7 land of one to five acres, which is not contiguous, but which otherwise  
8 constitutes an integral part of farming operations being conducted on  
9 land qualifying under this section as "farm and agricultural lands"; or  
10 (d) the land on which housing for employees and the principal place of  
11 residence of the farm operator or owner of land classified pursuant to  
12 (a) of this subsection is sited if: The housing or residence is on or  
13 contiguous to the classified parcel; and the use of the housing or the  
14 residence is integral to the use of the classified land for  
15 agricultural purposes.

16 (3) "Timber land" means any parcel of land ((in any)) that is five  
17 or more acres or multiple parcels of land that are contiguous  
18 ((ownership of)) and total five or more acres which is or are devoted  
19 primarily to the growth and harvest of forest crops ((and which is not  
20 classified as reforestation land pursuant to chapter 84.28 RCW)) for  
21 commercial purposes. A timber management plan shall be filed with the  
22 county legislative authority at the time (a) an application is made for  
23 classification as timber land pursuant to this chapter or (b) when a  
24 sale or transfer of timber land occurs and a notice of classification  
25 continuance is signed. Timber land means the land only.

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

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



1 (6) "Contiguous" means land adjoining and touching other property  
2 held by the same ownership. Land divided by a public road, but  
3 otherwise an integral part of a farming operation, shall be considered  
4 contiguous.

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

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

9 (a) Previously classified under subsection (2) of this section;

10 (b) That no longer meets the criteria of subsection (2) of this  
11 section; and

12 (c) That is reclassified under subsection (1) of this section.

13 **Sec. 5.** RCW 84.34.035 and 1973 1st ex.s. c 212 s 4 are each  
14 amended to read as follows:

15 The assessor shall act upon the application for current use  
16 classification of farm and agricultural lands under ~~((subsection (2)~~  
17 ~~of))~~ RCW 84.34.020(2), with due regard to all relevant evidence. The  
18 application shall be deemed to have been approved unless, prior to the  
19 first day of May of the year after such application was mailed or  
20 delivered to the assessor, ~~((he))~~ the assessor shall notify the  
21 applicant in writing of the extent to which the application is denied.  
22 An owner who receives notice that his or her application has been  
23 denied may appeal such denial to the ~~((county legislative authority))~~  
24 board of equalization in the county where the property is located. The  
25 appeal shall be filed in accordance with RCW 84.40.038, within thirty  
26 days after the mailing of the notice of denial. Within ten days  
27 following approval of the application, the assessor shall submit  
28 notification of such approval to the county auditor for recording in  
29 the place and manner provided for the public recording of state tax

1 liens on real property. The assessor shall retain a copy of all  
2 applications.

3 The assessor shall, as to any such land, make a notation each year  
4 on the assessment list and the tax roll of the assessed value of such  
5 land for the use for which it is classified in addition to the assessed  
6 value of such land were it not so classified.

7 ~~((The assessor shall also file notice of both such values with the  
8 county treasurer, who shall record such notice in the place and manner  
9 provided for recording delinquent taxes.))~~

10 **Sec. 6.** RCW 84.34.037 and 1985 c 393 s 1 are each amended to read  
11 as follows:

12 (1) Applications for classification or reclassification under RCW  
13 84.34.020 ~~((subsection))~~ (1) ~~((or (3)))~~ shall be made to the county  
14 legislative authority. An application made for classification or  
15 reclassification of land under RCW 84.34.020 ~~((subsection))~~ (1)(b)~~((or~~  
16 ~~or (3)))~~ and (c) which is in an area subject to a comprehensive plan  
17 shall be acted upon in the same manner in which an amendment to the  
18 comprehensive plan is processed. Application made for classification  
19 of land which is in an area not subject to a comprehensive plan shall  
20 be acted upon after a public hearing and after notice of the hearing  
21 shall have been given by one publication in a newspaper of general  
22 circulation in the area at least ten days before the hearing:  
23 PROVIDED, That applications for classification of land in an  
24 incorporated area shall be acted upon by a ~~((determining))~~ granting  
25 authority composed of three members of the county legislative body and  
26 three members of the city legislative body in which the land is  
27 located.

28 (2) In determining whether an application made for classification  
29 or reclassification under RCW 84.34.020~~((, subsection))~~ (1)(b)~~((, or~~

1 ~~(3))~~ and (c) should be approved or disapproved, the granting authority  
2 may take cognizance of the benefits to the general welfare of  
3 preserving the current use of the property which is the subject of  
4 application, and ~~((may))~~ shall consider ~~((whether or not preservation  
5 of current use of the land when balanced against))~~:

6 (a) The resulting revenue loss or tax shift ~~((from granting))~~;

7 (b) Whether granting the application for land applying under RCW  
8 84.34.020(1)(b) will ~~((1))~~ (i) conserve or enhance natural, cultural,  
9 or scenic resources, ~~((2))~~ (ii) protect streams, stream corridors,  
10 wetlands, natural shorelines and aquifers, ~~((3))~~ (iii) protect soil  
11 resources and unique or critical wildlife and native plant habitat,  
12 ~~((4))~~ (iv) promote conservation principles by example or by offering  
13 educational opportunities, ~~((5))~~ (v) enhance the value of abutting or  
14 neighboring parks, forests, wildlife preserves, nature reservations,  
15 sanctuaries, or other open spaces, ~~((6))~~ (vi) enhance recreation  
16 opportunities, ~~((7))~~ (vii) preserve historic and archaeological  
17 sites, ~~((8))~~ (viii) affect any other factors relevant in weighing  
18 benefits to the general welfare of preserving the current use of the  
19 property~~((:— PROVIDED, That))~~; and

20 (c) Whether granting the application for land applying under RCW  
21 84.34.020(1)(c) will (i) preserve land previously classified under RCW  
22 84.34.020(2), (ii) preserve land with a potential for returning to  
23 commercial agriculture, and (iii) affect any other factors relevant in  
24 weighing benefits to the general welfare of preserving the current use  
25 of property.

26 (3) If a public benefit rating system is adopted under RCW  
27 84.34.055, the county legislative authority shall rate property  
28 ~~((applying))~~ for which application for classification has been made  
29 under RCW 84.34.020 (1)(b) and (c) according to the public benefit  
30 rating system in determining whether an application should be approved

1 or disapproved, but when such a system is adopted, open space  
2 properties then classified under this chapter which do not qualify  
3 under the system shall not be removed from classification but may be  
4 rated according to the public benefit rating system(~~(:—PROVIDED~~  
5 ~~FURTHER, That)~~)).

6 (4) The granting authority may approve the application with respect  
7 to only part of the land which is the subject of the application(~~(:—~~  
8 ~~AND PROVIDED FURTHER, That)~~)).     If any part of the application is  
9 denied, the applicant may withdraw the entire application(~~(:—AND~~  
10 ~~PROVIDED FURTHER, That)~~)).     The granting authority in approving in part  
11 or whole an application for land classified or reclassified pursuant to  
12 RCW 84.34.020(1) (~~(or (3))~~) may also require that certain conditions be  
13 met, including but not limited to the granting of easements(~~(:—AND~~  
14 ~~PROVIDED FURTHER, That)~~)).

15 (5) The granting or denial of the application for current use  
16 classification or reclassification is a legislative determination and  
17 shall be reviewable only for arbitrary and capricious actions. (~~The~~  
18 ~~granting authority may not require the granting of easements for land~~  
19 ~~classified pursuant to RCW 84.34.020(3).~~)

20 **Sec. 7.** RCW 84.34.050 and 1973 1st ex.s. c 212 s 6 are each  
21 amended to read as follows:

22 (1) The granting authority shall immediately notify the (~~county~~)  
23 assessor and the applicant of its approval or disapproval which shall  
24 in no event be more than six months from the receipt of said  
25 application. No land other than farm and agricultural land shall be  
26 (~~considered qualified~~) classified under this chapter until an  
27 application in regard thereto has been approved by the appropriate  
28 legislative authority.

1       (2) When the granting authority (~~(finds that)~~) classifies land  
2 (~~(qualifies)~~) under this chapter, it shall file notice of the same with  
3 the assessor within ten days. The assessor shall, as to any such land,  
4 make a notation each year on the assessment list and the tax roll of  
5 the assessed value of such land for the use for which it is classified  
6 in addition to the assessed value of such land were it not so  
7 classified.

8       (3) Within ten days following receipt of the notice from the  
9 granting authority (~~(that)~~) of classification of such land  
10 (~~(qualifies)~~) under this chapter, the assessor shall submit such notice  
11 to the county auditor for recording in the place and manner provided  
12 for the public recording of state tax liens on real property.

13       (~~(4) The assessor shall also file notice of both such value with~~  
14 ~~the county treasurer, who shall record such notice in the place and~~  
15 ~~manner provided for recording delinquent taxes.))~~

16       **Sec. 8.** RCW 84.34.060 and 1985 c 393 s 2 are each amended to read  
17 as follows:

18       In determining the true and fair value of open space land and  
19 timber land, which has been classified as such under the provisions of  
20 this chapter, the assessor shall consider only the use to which such  
21 property and improvements is currently applied and shall not consider  
22 potential uses of such property. The (~~(assessor shall compute the~~  
23 ~~assessed value of such property by using the same assessment ratio~~  
24 ~~which he applies generally in computing the assessed value of other~~  
25 ~~property: PROVIDED, That the)) assessed valuation of open space land  
26 (~~(with no current use shall not be less than that which would result if~~  
27 ~~it were to be assessed for agricultural uses,)) shall not be less than  
28 the minimum value per acre of classified farm and agricultural land  
29 except that the assessed valuation of open space land (~~(with no current~~~~~~

1 use)) may be valued based on the public benefit rating system adopted  
2 under RCW 84.34.055: PROVIDED FURTHER, That timber land shall be  
3 valued according to chapter 84.33 RCW.

4 **Sec. 9.** RCW 84.34.065 and 1989 c 378 s 11 are each amended to read  
5 as follows:

6 The true and fair value of farm and agricultural land shall be  
7 determined by consideration of the earning or productive capacity of  
8 comparable lands from crops grown most typically in the area averaged  
9 over not less than five years, capitalized at indicative rates. The  
10 earning or productive capacity of farm and agricultural lands shall be  
11 the "net cash rental", capitalized at a "rate of interest" charged on  
12 long term loans secured by a mortgage on farm or agricultural land plus  
13 a component for property taxes. The current use value of land under  
14 RCW 84.34.020(2)(d) shall be established as: The prior year's average  
15 value of open space farm and agricultural land used in the county plus  
16 the value of land improvements such as septic, water, and power used to  
17 serve the residence. This shall not be interpreted to require the  
18 assessor to list improvements to the land with the value of the land.

19 For the purposes of the above computation:

20 (1) The term "net cash rental" shall mean the average rental paid  
21 on an annual basis, in cash (~~or its equivalent~~), for the land being  
22 appraised and other farm and agricultural land of similar quality and  
23 similarly situated that is available for lease for a period of at least  
24 three years to any reliable person without unreasonable restrictions on  
25 its use for production of agricultural crops. There shall be allowed  
26 as a deduction from the rental received or computed any costs of crop  
27 production charged against the landlord if the costs are such as are  
28 customarily paid by a landlord. If "net cash rental" data is not  
29 available, the earning or productive capacity of farm and agricultural

1 lands shall be determined by the cash value of typical or usual crops  
2 grown on land of similar quality and similarly situated averaged over  
3 not less than five years. Standard costs of production shall be  
4 allowed as a deduction from the cash value of the crops.

5 The current "net cash rental" or "earning capacity" shall be  
6 determined by the assessor with the advice of the advisory committee as  
7 provided in RCW 84.34.145, and through a continuing (~~study within his~~  
8 ~~office~~) internal study, assisted by studies of the department of  
9 revenue. This net cash rental figure as it applies to any farm and  
10 agricultural land may be challenged before the same boards or  
11 authorities as would be the case with regard to assessed values on  
12 general property.

13 (2) The term "rate of interest" shall mean the rate of interest  
14 charged by the farm credit administration and other large financial  
15 institutions regularly making loans secured by farm and agricultural  
16 lands through mortgages or similar legal instruments, averaged over the  
17 immediate past five years.

18 The "rate of interest" shall be determined annually by (~~adoption~~  
19 ~~of~~) a rule adopted by the (~~revenue~~) department of (~~the state of~~  
20 ~~Washington,~~) revenue and such rule shall be published in the state  
21 register not later than January 1 of each year for use in that  
22 assessment year. The (~~determination of the revenue~~) department of revenue  
23 determination may be appealed to the state board of tax appeals  
24 within thirty days after the date of publication by any owner of farm  
25 or agricultural land or the assessor of any county containing farm and  
26 agricultural land.

27 (3) The "component for property taxes" shall be a (~~percentage~~  
28 ~~equal to the estimated mileage rate times the legal assessment ratio~~)  
29 figure obtained by dividing the assessed value of all property in the  
30 county into the property taxes levied within the county in the year

1 preceding the assessment and multiplying the quotient obtained by one  
2 hundred.

3       **Sec. 10.** RCW 84.34.070 and 1984 c 111 s 2 are each amended to read  
4 as follows:

5       (1) When land has once been classified under this chapter, it shall  
6 remain under such classification and shall not be applied to other use  
7 except ~~((a transfer between classifications under RCW 84.34.020 (2) and~~  
8 ~~(3)))~~ as provided by subsection (2) of this section for at least ten  
9 years from the date of classification and shall continue under such  
10 classification until and unless withdrawn from classification after  
11 notice of request for withdrawal shall be made by the owner. During  
12 any year after eight years of the initial ten-year classification  
13 period have elapsed, notice of request for withdrawal of all or a  
14 portion of the land~~((, which shall be irrevocable,))~~ may be given by  
15 the owner to the ~~((county))~~ assessor or assessors of the county or  
16 counties in which such land is situated. In the event that a portion  
17 of a parcel is removed from classification, the remaining portion must  
18 meet the same requirements as did the entire parcel when such land was  
19 originally granted classification pursuant to this chapter unless the  
20 remaining parcel has different income criteria. Within seven days the  
21 ~~((county))~~ assessor shall transmit one copy of such notice to the  
22 legislative body which originally approved the application. The  
23 ~~((county))~~ assessor or assessors, as the case may be, shall, when two  
24 assessment years have elapsed following the date of receipt of such  
25 notice, withdraw such land from such classification and the land shall  
26 be subject to the additional tax and applicable interest due under RCW  
27 84.34.108~~((:— PROVIDED, That))~~. Agreement to tax according to use  
28 shall not be considered to be a contract and can be abrogated at any



1 time by the legislature in which event no additional tax or penalty  
2 shall be imposed.

3 (2) The following reclassifications are not considered withdrawals  
4 or removals and are not subject to additional tax under RCW 84.34.108:

5 (a) Reclassification between lands under RCW 84.34.020 (2) and (3);

6 (b) Reclassification of land classified under RCW 84.34.020 (2) or  
7 (3) or chapter 84.33 RCW to open space land under RCW 84.34.020(1);

8 (c) Reclassification of land classified under RCW 84.34.020(2) or  
9 (3) to forest land classified under chapter 84.33 RCW; and

10 (d) Reclassification of land classified as open space land under  
11 RCW 84.34.020(1)(c) and reclassified to farm and agricultural land  
12 under RCW 84.34.020(2) if the land had been previously classified as  
13 farm and agricultural land under RCW 84.34.020(2).

14 (3) Applications for reclassification shall be subject to  
15 applicable provisions of RCW 84.34.037, 84.34.035, section 20 of this  
16 act, and chapter 84.33 RCW.

17 (4) The income criteria for land classified under RCW 84.34.020(2)  
18 (b) and (c) may be deferred for land being reclassified from land  
19 classified under RCW 84.34.020 (1)(c) or (3), or chapter 84.33 RCW into  
20 RCW 84.34.020(2) (b) or (c) for a period of up to five years from the  
21 date of reclassification.

22 **Sec. 11.** RCW 84.34.080 and 1973 1st ex.s. c 212 s 9 are each  
23 amended to read as follows:

24 When land which has been classified under this chapter as open  
25 space land, farm and agricultural land, or timber land is applied to  
26 some other use, except through compliance with RCW 84.34.070, or except  
27 as a result solely from any one of the conditions listed in RCW  
28 84.34.108(5), the owner shall within sixty days notify the county  
29 assessor of such change in use and additional real property tax shall

1 be imposed upon such land in an amount equal to the sum of the  
2 following:

3 (1) The total amount of the additional tax and applicable interest  
4 due under RCW 84.34.108; plus

5 (2) A penalty amounting to twenty percent of the amount determined  
6 in subsection (1) of this section.

7 **Sec. 12.** RCW 84.34.108 and 1989 c 378 s 35 are each amended to  
8 read as follows:

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

15 (a) Receipt of notice from the owner to remove all or a portion of  
16 such ~~((designation))~~ classification;

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

22 (c) Sale or transfer of all or a portion of such land to a new  
23 owner, unless the new owner has signed a notice of classification  
24 continuance, except transfer to an owner who is an heir or devisee of  
25 a deceased owner shall not, by itself, result in removal of  
26 classification. The signed notice of continuance shall be attached to  
27 the real estate excise tax affidavit provided for in RCW 82.45.120, as  
28 now or hereafter amended. The notice of continuance shall be on a form  
29 prepared by the department of revenue. If the notice of continuance is

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

12 (d) Determination by the assessor, after giving the owner written  
13 notice and an opportunity to be heard, that all or a portion of such  
14 land ((is)) no longer ((primarily devoted to and used for the purposes  
15 under which it was granted classification)) meets the criteria for  
16 classification under this chapter. The criteria for classification  
17 pursuant to this chapter continue to apply after classification has  
18 been granted.

19 The granting authority, upon request of an assessor, shall provide  
20 reasonable assistance to the assessor in making a determination whether  
21 such land continues to meet the qualifications of RCW 84.34.020 (1) or  
22 (3). The assistance shall be provided within thirty days of receipt of  
23 the request.

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

29 (3) Unless the removal is reversed on appeal, the assessor shall  
30 revalue the affected land with reference to full market value on the

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

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

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

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

27 (4) Additional tax, ~~((together with))~~ applicable interest  
28 ~~((thereon))~~, and penalty, shall become a lien on such land which shall  
29 attach at the time such land is removed from ~~((current use))~~  
30 classification under this chapter and shall have priority to and shall

1 be fully paid and satisfied before any recognizance, mortgage,  
2 judgment, debt, obligation or responsibility to or with which such land  
3 may become charged or liable. Such lien may be foreclosed upon  
4 expiration of the same period after delinquency and in the same manner  
5 provided by law for foreclosure of liens for delinquent real property  
6 taxes as provided in RCW 84.64.050 now or as hereafter amended. Any  
7 additional tax unpaid on its due date shall thereupon become  
8 delinquent. From the date of delinquency until paid, interest shall be  
9 charged at the same rate applied by law to delinquent ad valorem  
10 property taxes.

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

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

17 (b)(i) A taking through the exercise of the power of eminent  
18 domain, or (ii) sale or transfer to an entity having the power of  
19 eminent domain in anticipation of the exercise of such power, said  
20 entity having manifested its intent in writing or by other official  
21 action;

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

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

27 ~~((e))~~ (d) Official action by an agency of the state of Washington  
28 or by the county or city within which the land is located which  
29 disallows the present use of such land;

1       (~~(f)~~) (e) Transfer of land to a church (~~and~~) when such land  
2 would qualify for (~~property tax~~) exemption pursuant to RCW 84.36.020;  
3 (~~or~~

4       ~~(g)~~) (f) Acquisition of property interests by state agencies or  
5 agencies or organizations qualified under RCW 84.34.210 and 64.04.130  
6 for the purposes enumerated in those sections: PROVIDED, That at such  
7 time as these property interests are not used for the purposes  
8 enumerated in RCW 84.34.210 and 64.04.130 the additional tax specified  
9 in subsection (3) of this section shall be imposed; or

10       (g) Removal of land classified as farm and agricultural land under  
11 RCW 84.34.020(2)(d).

12       **Sec. 13.** RCW 84.34.145 and 1973 1st ex.s. c 212 s 11 are each  
13 amended to read as follows:

14       The county legislative authority shall appoint a five member  
15 committee representing the active farming community within the county  
16 to serve in an advisory capacity to the (~~county~~) assessor in  
17 implementing assessment guidelines as established by the department of  
18 revenue for the assessment of open space, farms and agricultural lands,  
19 and timber lands classified pursuant to this 1973 amendatory act.

20       **Sec. 14.** RCW 84.34.150 and 1973 1st ex.s. c 212 s 15 are each  
21 amended to read as follows:

22       Land classified under the provisions of chapter 84.34 RCW prior to  
23 July 16, 1973 which meets the (~~definition of farm and agricultural~~  
24 ~~land~~) criteria for classification under the provisions of this 1973  
25 amendatory act, (~~upon request for such change made by the owner to the~~  
26 ~~county assessor, shall be~~) is hereby reclassified (~~by the county~~  
27 ~~assessor~~) under the provisions of this 1973 amendatory act. This  
28 change in classification shall be made without additional tax,

1 applicable interest, penalty, or other requirements: PROVIDED, That  
2 subsequent to such reclassification, the land shall be fully subject to  
3 the provisions of chapter 84.34 RCW(~~(, as now or hereafter amended)~~).  
4 A condition imposed by a granting authority prior to July 16, 1973,  
5 upon land classified pursuant to RCW 84.34.020 (1) or (3) shall remain  
6 in effect during the period of classification.

7 **Sec. 15.** RCW 84.34.155 and 1973 1st ex.s. c 212 s 19 are each  
8 amended to read as follows:

9 Land classified under the provisions of (~~chapter 84.34 RCW as~~  
10 ~~timber land~~) RCW 84.34.020 (2) or (3) which meets the definition of  
11 forest land under the provisions of chapter 84.33 RCW, upon request for  
12 such change made by the owner to the (~~county assessor~~) granting  
13 authority, shall be reclassified by the (~~county~~) assessor under the  
14 provisions of chapter 84.33 RCW. This change in classification shall  
15 be made without additional tax, applicable interest, penalty, or other  
16 requirements set forth in chapter 84.34 RCW: PROVIDED, That subsequent  
17 to such reclassification, the land shall be fully subject to the  
18 provisions of chapter 84.33 RCW, as now or hereafter amended.

19 **Sec. 16.** RCW 84.34.160 and 1973 1st ex.s. c 212 s 18 are each  
20 amended to read as follows:

21 The department of revenue and each (~~local assessor~~) granting  
22 authority is hereby directed to publicize the qualifications and manner  
23 of making applications for (~~current use~~) classification. (~~Whenever~~  
24 ~~possible~~) Notice of the qualifications, method of making applications,  
25 and availability of further information on current use classification  
26 shall be included (~~with the second half property tax statements for~~  
27 ~~1973, and thereafter, shall be included~~) with every notice of change  
28 in valuation (~~of unplatted lands~~).

1       **Sec. 17.** RCW 84.34.320 and 1979 c 84 s 3 are each amended to read  
2 as follows:

3       Any land classified as farm and agricultural land (~~which is~~  
4 ~~designated for current use classification~~) pursuant to chapter 84.34  
5 RCW at the earlier of the times the legislative authority of a local  
6 government adopts a resolution, ordinance, or legislative act (1) to  
7 create a local improvement district, in which such land is included or  
8 would have been included but for such classification (~~designation~~),  
9 or (2) to approve or confirm a final special benefit assessment roll  
10 relating to a sanitary and/or storm sewerage system, domestic water  
11 supply and/or distribution system, or road construction and/or  
12 improvement, which roll would have included such land but for such  
13 classification (~~designation~~), shall be exempt from special benefit  
14 assessments or charges in lieu of assessment for such purposes as long  
15 as that land remains in such classification, except as otherwise  
16 provided in RCW 84.34.360.

17       Whenever a local government creates a local improvement district,  
18 the levying, collection and enforcement of assessments shall be in the  
19 manner and subject to the same procedures and limitations as are  
20 provided pursuant to the law concerning the initiation and formation of  
21 local improvement districts for the particular local government.  
22 Notice of the creation of a local improvement district that includes  
23 farm and agricultural land shall be filed with the county assessor and  
24 the legislative authority of the county in which such land is located.  
25 The (~~county~~) assessor, upon receiving notice of the creation of such  
26 a local improvement district, shall send a notice to the owner of the  
27 farm and agricultural lands listed on the tax rolls of the applicable  
28 county treasurer of: (1) The creation of the local improvement  
29 district; (2) the exemption of that land from special benefit  
30 assessments; (3) the fact that the farm and agricultural land may



1 become subject to the special benefit assessments if the owner waives  
2 the exemption by filing a notarized document with the governing body of  
3 the local government creating the local improvement district before the  
4 confirmation of the final special benefit assessment roll; and (4) the  
5 potential liability, pursuant to RCW 84.34.330, if the exemption is not  
6 waived and the land is subsequently removed from the farm and  
7 agricultural land status. When a local government approves and  
8 confirms a special benefit assessment roll, from which farm and  
9 agricultural land has been exempted pursuant to this section, it shall  
10 file a notice of such action with the ((county)) assessor and the  
11 legislative authority of the county in which such land is located and  
12 with the treasurer of that local government, which notice shall  
13 describe the action taken, the type of improvement involved, the land  
14 exempted, and the amount of the special benefit assessment which would  
15 have been levied against the land if it had not been exempted. The  
16 filing of such notice with the ((county)) assessor and the treasurer of  
17 that local government shall constitute constructive notice to a  
18 purchaser or encumbrancer of the affected land, and every person whose  
19 conveyance or encumbrance is subsequently executed or subsequently  
20 recorded, that such exempt land is subject to the charges provided in  
21 RCW 84.34.330 and 84.34.340 if such land is withdrawn or removed from  
22 its current use classification as farm and agricultural land.

23 The owner of the land exempted from special benefit assessments  
24 pursuant to this section may waive that exemption by filing a notarized  
25 document to that effect with the legislative authority of the local  
26 government upon receiving notice from said local government concerning  
27 the assessment roll hearing and before the local government confirms  
28 the final special benefit assessment roll. A copy of that waiver shall  
29 be filed by the local government with the ((county)) assessor, but the  
30 failure of such filing shall not affect the waiver.

1 Except to the extent provided in RCW 84.34.360, the local  
2 government shall have no duty to furnish service from the improvement  
3 financed by the special benefit assessment to such exempted land.

4 **Sec. 18.** RCW 84.34.360 and 1979 c 84 s 7 are each amended to read  
5 as follows:

6 (~~Within ninety days after June 7, 1979,~~) The department of  
7 revenue shall adopt rules it shall deem necessary to implement RCW  
8 84.34.300 through 84.34.380 which shall include, but not be limited to,  
9 procedures to determine the extent to which a portion of the land  
10 otherwise exempt may be subject to a special benefit assessment for the  
11 actual connection to the domestic water system or sewerage facilities,  
12 and further to determine the extent to which all or a portion of such  
13 land may be subject to a special benefit assessment for access to the  
14 road improvement in relation to its value as farm and agricultural land  
15 as distinguished from its value under more intensive uses. The  
16 provision for limited special benefit assessments shall not relieve  
17 such land from liability for the amounts provided in RCW 84.34.330 and  
18 84.34.340 when such land is withdrawn or removed from its current use  
19 classification as farm and agricultural land.

20 NEW SECTION. **Sec. 19.** A new section is added to chapter 84.34 RCW  
21 to read as follows:

22 There is created an advisory committee to assist the department of  
23 revenue in recommending changes to the rules implementing this chapter.  
24 The committee shall have twelve members. Four shall be assessors,  
25 selected by assessors. Two assessors shall reside east of the crest of  
26 the Cascade mountains. The remaining members shall be appointed by the  
27 department. Two shall represent natural resource protection  
28 organizations. Two shall represent the public. Four shall represent

1 a cross-section of the agricultural and forestry community. Two  
2 community members shall reside east of the crest of the Cascade  
3 mountains. The term of appointment for the community members, the  
4 natural resource protection organization members, and the public  
5 members shall be four years.

6 The committee shall meet at least annually, and at such other times  
7 as it deems necessary, to recommend adoption of new or amended  
8 administrative rules and other changes as it finds appropriate.

9 NEW SECTION. **Sec. 20.** A new section is added to chapter 84.34 RCW  
10 to read as follows:

11 An application for current use classification under RCW  
12 84.34.020(3) shall be made to the county legislative authority.

13 (1) The application shall be made upon forms prepared by the  
14 department of revenue and supplied by the granting authority and shall  
15 include the following:

16 (a) A legal description of, or assessor's parcel numbers for, all  
17 land the applicant desires to be classified as timber land;

18 (b) The date or dates of acquisition of the land;

19 (c) A brief description of the timber on the land, or if the timber  
20 has been harvested, the owner's plan for restocking;

21 (d) Whether there is a forest management plan for the land;

22 (e) If so, the nature and extent of implementation of the plan;

23 (f) Whether the land is used for grazing;

24 (g) Whether the land has been subdivided or a plat filed with  
25 respect to the land;

26 (h) Whether the land and the applicant are in compliance with the  
27 restocking, forest management, fire protection, insect and disease  
28 control, weed control, and forest debris provisions of Title 76 RCW or  
29 applicable rules under Title 76 RCW;

1 (i) Whether the land is subject to forest fire protection  
2 assessments pursuant to RCW 76.04.610;

3 (j) Whether the land is subject to a lease, option, or other right  
4 that permits it to be used for a purpose other than growing and  
5 harvesting timber;

6 (k) A summary of the past experience and activity of the applicant  
7 in growing and harvesting timber;

8 (l) A summary of current and continuing activity of the applicant  
9 in growing and harvesting timber;

10 (m) A statement that the applicant is aware of the potential tax  
11 liability involved when the land ceases to be classified as timber  
12 land.

13 (2) An application made for classification of land under RCW  
14 84.34.020(3) shall be acted upon after a public hearing and after  
15 notice of the hearing is given by one publication in a newspaper of  
16 general circulation in the area at least ten days before the hearing.  
17 Application for classification of land in an incorporated area shall be  
18 acted upon by a granting authority composed of three members of the  
19 county legislative body and three members of the city legislative body  
20 in which the land is located.

21 (3) The granting authority shall act upon the application with due  
22 regard to all relevant evidence and without any one or more items of  
23 evidence necessarily being determinative, except that the application  
24 may be denied for one of the following reasons, without regard to other  
25 items:

26 (a) The land does not contain a stand of timber as defined in  
27 chapter 76.09 RCW and applicable rules, except this reason shall not  
28 alone be sufficient to deny the application (i) if the land has been  
29 recently harvested or supports a growth of brush or noncommercial type  
30 timber, and the application includes a plan for restocking within three

1 years or the longer period necessitated by unavailability of seed or  
2 seedings, or (ii) if only isolated areas within the land do not meet  
3 minimum standards due to rock outcroppings, swamps, unproductive soil,  
4 or other natural conditions;

5 (b) The applicant, with respect to the land, has failed to comply  
6 with a final administrative or judicial order with respect to a  
7 violation of the restocking, forest management, fire protection, insect  
8 and disease control, weed control, and forest debris provisions of  
9 Title 76 RCW or applicable rules under Title 76 RCW;

10 (c) The land abuts a body of salt water and lies between the line  
11 of ordinary high tide and a line paralleling the ordinary high tide  
12 line and two hundred feet horizontally landward from the high tide  
13 line.

14 The granting authority may approve the application with respect to  
15 only part of the land that is described in the application, and if any  
16 part of the application is denied, the applicant may withdraw the  
17 entire application. The granting authority, in approving in part or  
18 whole an application for land classified pursuant to RCW 84.34.020(3),  
19 may also require that certain conditions be met.

20 Granting or denial of an application for current use classification  
21 is a legislative determination and shall be reviewable only for  
22 arbitrary and capricious actions. The granting authority may not  
23 require the granting of easements for land classified pursuant to RCW  
24 84.34.020(3).

25 The granting authority shall approve or disapprove an application  
26 made under this section within six months following the date the  
27 application is received.

28 NEW SECTION. **Sec. 21.** A new section is added to chapter 84.34 RCW  
29 to read as follows:

1        If approval of an application for classification or  
2 reclassification under RCW 84.34.020 (1), (2), or (3) results in the  
3 incorrect classification of a parcel of land the assessor may place the  
4 property in the correct classification. Such a correction shall not be  
5 considered a withdrawal or removal and is not subject to additional tax  
6 under RCW 84.34.108. The assessor will notify the landowner of any  
7 correction of classification.

8        This section expires on December 31, 1995.

9        NEW SECTION.    **Sec. 22.**        This act shall take effect January 1,  
10 1993.