

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1554

Chapter 57, Laws of 2005

59th Legislature
2005 Regular Session

PROPERTY TAXATION--FARM AND AGRICULTURAL LAND

EFFECTIVE DATE: 7/24/05

Passed by the House March 8, 2005
Yeas 98 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 6, 2005
Yeas 49 Nays 0

BRAD OWEN

President of the Senate

Approved April 14, 2005.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1554** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

April 14, 2005 - 11:33 a.m.

**Secretary of State
State of Washington**

HOUSE BILL 1554

Passed Legislature - 2005 Regular Session

State of Washington 59th Legislature 2005 Regular Session

By Representatives Morrell, Buri, Grant, Holmquist, Newhouse,
McDonald, Conway, Blake, Quall, Linville and Miloscia

Read first time 01/27/2005. Referred to Committee on Finance.

1 AN ACT Relating to the definition of "farm and agricultural land"
2 for purposes of current use property taxation; and amending RCW
3 84.34.020.

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

5 **Sec. 1.** RCW 84.34.020 and 2004 c 217 s 1 are each amended to read
6 as follows:

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

9 (1) "Open space land" means (a) any land area so designated by an
10 official comprehensive land use plan adopted by any city or county and
11 zoned accordingly, or (b) any land area, the preservation of which in
12 its present use would (i) conserve and enhance natural or scenic
13 resources, or (ii) protect streams or water supply, or (iii) promote
14 conservation of soils, wetlands, beaches or tidal marshes, or (iv)
15 enhance the value to the public of abutting or neighboring parks,
16 forests, wildlife preserves, nature reservations or sanctuaries or
17 other open space, or (v) enhance recreation opportunities, or (vi)
18 preserve historic sites, or (vii) preserve visual quality along
19 highway, road, and street corridors or scenic vistas, or (viii) retain

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

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

10 (a) Any parcel of land that is twenty or more acres or multiple
11 parcels of land that are contiguous and total twenty or more acres:

12 (i) Devoted primarily to the production of livestock or
13 agricultural commodities for commercial purposes;

14 (ii) Enrolled in the federal conservation reserve program or its
15 successor administered by the United States department of agriculture;

16 or

17 (iii) Other similar commercial activities as may be established by
18 rule;

19 (b)(i) Any parcel of land that is five acres or more but less than
20 twenty acres devoted primarily to agricultural uses, which has produced
21 a gross income from agricultural uses equivalent to, as of January 1,
22 1993:

23 (~~(i)~~) (A) One hundred dollars or more per acre per year for three
24 of the five calendar years preceding the date of application for
25 classification under this chapter for all parcels of land that are
26 classified under this subsection or all parcels of land for which an
27 application for classification under this subsection is made with the
28 granting authority prior to January 1, 1993; and

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

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

36 (c) Any parcel of land of less than five acres devoted primarily to
37 agricultural uses which has produced a gross income as of January 1,
38 1993, of:

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

7 (ii) On or after January 1, 1993, fifteen hundred dollars or more
8 per year for three of the five calendar years preceding the date of
9 application for classification under this chapter.

10 Parcels of land described in (b)(i)(A) and (c)(i) of this subsection
11 shall, upon any transfer of the property excluding a transfer to a
12 surviving spouse, be subject to the limits of (b)((+ii+)) (i)(B) and
13 (c)(ii) of this subsection;

14 (d) Any lands including incidental uses as are compatible with
15 agricultural purposes, including wetlands preservation, provided such
16 incidental use does not exceed twenty percent of the classified land
17 and the land on which appurtenances necessary to the production,
18 preparation, or sale of the agricultural products exist in conjunction
19 with the lands producing such products. Agricultural lands shall also
20 include any parcel of land of one to five acres, which is not
21 contiguous, but which otherwise constitutes an integral part of farming
22 operations being conducted on land qualifying under this section as
23 "farm and agricultural lands"; or

24 (e) The land on which housing for employees and the principal place
25 of residence of the farm operator or owner of land classified pursuant
26 to (a) of this subsection is sited if: The housing or residence is on
27 or contiguous to the classified parcel; and the use of the housing or
28 the residence is integral to the use of the classified land for
29 agricultural purposes.

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

1 necessary for the production, preparation, or sale of the timber
2 products exist in conjunction with land producing these products.

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

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

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

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

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

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

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

Passed by the House March 8, 2005.
Passed by the Senate April 6, 2005.
Approved by the Governor April 14, 2005.
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