
SENATE BILL 6343

State of Washington

69th Legislature

2026 Regular Session

By Senators Orwall, Conway, Kauffman, Lovelett, Nobles, Shewmake, Slatter, Wellman, and C. Wilson

Read first time 02/02/26. Referred to Committee on Ways & Means.

1 AN ACT Relating to providing tax relief to Washington residents
2 impacted by the atmospheric river and winter weather event; amending
3 RCW 84.70.010; adding a new section to chapter 82.08 RCW; adding a
4 new section to chapter 82.12 RCW; creating new sections; providing an
5 effective date; and providing expiration dates.

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

7 **Sec. 1.** RCW 84.70.010 and 2021 c 192 s 1 are each amended to
8 read as follows:

9 (1) If, on or before December 31st in any calendar year, any real
10 or personal property placed upon the assessment roll of that year is
11 destroyed in whole or in part, or is in an area that has been
12 declared a disaster area by the governor or the county legislative
13 authority and has been reduced in value by more than twenty percent
14 as a result of a natural disaster, the true and fair value of such
15 property shall be reduced for that assessment year by an amount
16 determined by taking the true and fair value of such taxable property
17 before destruction or reduction in value and deduct therefrom the
18 true and fair value of the remaining property after destruction or
19 reduction in value.

20 (2) Taxes levied for collection in the year in which the true and
21 fair value has been reduced under subsection (1) of this section

1 shall be abated in whole or in part as provided in this subsection.
2 The amount of taxes to be abated shall be determined by first
3 multiplying the amount deducted from the true and fair value under
4 subsection (1) of this section by the rate of levy applicable to the
5 property in the tax year. Then divide the product by the number of
6 days in the year and multiply the quotient by the number of days
7 remaining in the calendar year after the date of the destruction or
8 reduction in value of the property. If taxes abated under this
9 section have been paid, the amount paid shall be refunded under RCW
10 84.69.020. The tax relief provided for in this section for the tax
11 year in which the damage or destruction occurred does not apply to
12 property damaged or destroyed voluntarily.

13 (3) No reduction in the true and fair value or abatements shall
14 be made more than three years after the date of destruction or
15 reduction in value.

16 (4) The assessor shall make such reduction on his or her own
17 motion; however, the taxpayer may make application for reduction on
18 forms prepared by the department and provided by the assessor. The
19 assessor shall notify the taxpayer of the amount of reduction.

20 (5) If destroyed property is replaced prior to the valuation
21 dates contained in RCW 36.21.080 and 36.21.090, the total taxable
22 value for that assessment year shall not exceed the value as of the
23 appropriate valuation date in RCW 36.21.080 or 36.21.090, whichever
24 is appropriate.

25 (6) The taxpayer may appeal the amount of reduction to the county
26 board of equalization in accordance with the provisions of RCW
27 84.40.038. The board shall reconvene, if necessary, to hear the
28 appeal.

29 (7)(a) Physical improvements to qualifying single-family
30 dwellings are exempt from taxation for three assessment years
31 subsequent to the completion of the improvement, subject to the
32 conditions and limitations in this subsection (7).

33 (b) The amount of the exemption provided in this subsection (7)
34 is limited to the amount of the reduction in value determined in
35 subsection (1) of this section with respect to the qualifying single-
36 family dwelling.

37 (c)(i) A taxpayer desiring to obtain the exemption provided in
38 this subsection (7) must file an application with the county assessor
39 on forms prescribed or approved by the department and made available
40 to the taxpayer by the county assessor. Except as provided in (c)(ii)

1 and (iii) of this subsection (7), the application must be submitted
2 by the taxpayer before initiating construction of the improvement.
3 County assessors may not approve any application for exemption
4 received after June 30, (~~2026~~) 2031.

5 (ii) If a taxpayer has, before July 25, 2021, initiated
6 construction of physical improvements to a qualifying single-family
7 dwelling, the taxpayer may apply for the exemption under this
8 subsection (7) by October 1, 2021.

9 (iii) If a taxpayer has, before the effective date of this
10 section, initiated construction of physical improvements to a
11 qualifying single-family dwelling as a result of a natural disaster
12 that occurred on or after December 1, 2025, the taxpayer may apply
13 for the exemption under this subsection (7) by October 1, 2026.

14 (d) The value of the improvements must be considered as new
15 construction for the purposes of chapters 36.21 and 84.55 RCW as
16 though the property was not exempt under this chapter.

17 (e) The department may adopt any rules necessary to administer
18 this section.

19 (f) For purposes of this subsection (7), the following
20 definitions apply:

21 (i) "Improvement" means any actual, material, and permanent
22 change to a qualifying single-family dwelling damaged as a result of
23 a natural disaster that increases the value of the dwelling.
24 "Improvement" also includes the construction of a new single-family
25 dwelling that replaces a qualifying single-family dwelling totally
26 destroyed as a result of a natural disaster.

27 (ii) "Qualifying single-family dwelling" means a single-family
28 dwelling:

29 (A) Upon real property located in an area that has been declared
30 a disaster area by the governor or the county legislative authority
31 and has been reduced in value by more than 20 percent as a result of
32 a natural disaster that occurred on or after August 31, 2020;

33 (B) That has received a reduction in the true and fair value
34 under subsection (1) of this section; and

35 (C) In which the legal or beneficial ownership is held by the
36 same individual or individuals who owned the property at the time
37 that it was reduced in value as a result of a natural disaster, or
38 their relatives. For the purpose of this subsection (7)(f)(ii),
39 "relative" means any individual related to another individual by
40 blood, marriage, or adoption.

1 (8) For purposes of this section, an area that has been declared
2 a disaster area by the governor includes areas within the scope of
3 the governor's request to the president of the United States for a
4 major disaster declaration.

5 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.08
6 RCW to read as follows:

7 (1) Subject to the requirements of this section, the tax levied
8 by RCW 82.08.020 does not apply to materials incorporated into, and
9 labor and services rendered in respect to, an eligible flood
10 restoration project.

11 (2)(a) The exemption in this section is in the form of a
12 remittance. A qualifying purchaser claiming a remittance under this
13 section must pay all applicable state and local sales taxes imposed
14 under RCW 82.08.020 and chapter 82.14 RCW on all purchases qualifying
15 for the exemption.

16 (b) The department must determine eligibility under this section
17 based on information provided by the qualifying purchaser and through
18 audit and other administrative records. A qualifying purchaser may on
19 a quarterly basis submit an application, in a form and manner as
20 required by the department, specifying the amount of exempted tax
21 claimed and the qualifying purchases for which the exemption is
22 claimed. The qualifying purchaser must retain, in adequate detail to
23 enable the department to determine whether the equipment or
24 construction meets the criteria under this section: Invoices; proof
25 of tax paid; and construction invoices and documents.

26 (c) A person may not apply for more than one remittance under
27 this section per calendar quarter.

28 (d) The department must on a quarterly basis remit exempted
29 amounts to persons whose applications were approved by the department
30 during the previous quarter.

31 (3) For the purposes of this section:

32 (a) "Eligible flood restoration project" means the restoration,
33 repair, or replacement of real property damaged as a result of a
34 natural disaster and located within a designated area of a major
35 disaster declaration by the federal government.

36 (b) "Natural disaster" means an extreme weather event that is
37 within the scope of a major disaster declaration by the federal
38 government.

1 (c) "Qualifying purchaser" means a person who is the legal or
2 beneficial owner of the real property at the time it was damaged by a
3 natural disaster, or their relatives. For the purposes of this
4 subsection (3)(c), "relative" means any individual related to another
5 individual by blood, marriage, or adoption.

6 (4) This section expires July 1, 2031.

7 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.12
8 RCW to read as follows:

9 (1) The provisions of this chapter do not apply to materials
10 incorporated into, and labor and services rendered in respect to, an
11 eligible flood restoration project.

12 (2) All of the eligibility requirements, conditions, limitations,
13 and definitions in section 2 of this act apply to this section.

14 (3) This section expires July 1, 2031.

15 NEW SECTION. **Sec. 4.** RCW 82.32.805 and 82.32.808 do not apply
16 to this act.

17 NEW SECTION. **Sec. 5.** Section 1 of this act applies to taxes
18 levied for collection in 2027 and thereafter.

19 NEW SECTION. **Sec. 6.** Sections 2 and 3 of this act take effect
20 October 1, 2026.

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