

WAC 458-19-065 Levy limit—Protection of future levy capacity.

(1) **Introduction.** This rule explains what occurs when a taxing district levies taxes in an amount less than the maximum allowed under the levy limit for any year and how future levies of the district will be calculated.

(2) **Use of maximum lawful levy amount.** In any year when a taxing district, other than the state, levies taxes in an amount less than the maximum amount allowed by the levy limit, whether voluntarily or as a result of the operation of the statutory aggregate dollar rate limit or constitutional one percent limit reducing or eliminating the taxing district's levy rate, the levy limit for succeeding years after 1985 will be calculated as though the maximum lawful levy amount allowed by the levy limit or the taxing district's statutory dollar rate limit had been levied.

(3) **Examples.** These examples do not include any amounts for new construction, improvements to property, increases in the assessed value of state assessed property, increases in the assessed value due to the construction of wind turbine, solar, biomass, and geothermal facilities, or increases in assessed value of real property within an increment area designated by a local government pursuant to chapter 39.114 RCW.

(a) In 2022, the highest amount of regular property taxes that could have been lawfully levied by taxing district "A" as restricted by the levy limit was \$100,000. But in 2022 taxing district "A" was otherwise limited by the statutory aggregate dollar rate limit to a maximum levy of \$95,000. The levy limit for the 2023 levy will be calculated on the basis of what could have been the highest levy amount since 1985, which is \$100,000 multiplied by the limit factor. The amount actually levied in 2022 is not controlling.

(b) Using the same basic facts from the previous example, if the levy amount of district "A" had been limited by the statutory dollar rate limit in 2022 to \$95,000, and \$95,000 was the highest amount of regular property taxes that could have been lawfully levied since 1985, then the levy limit for 2023 will be calculated on the basis of \$95,000, that is \$95,000 multiplied by the limit factor.

[Statutory Authority: RCW 84.08.010, 84.08.070, and 84.55.060. WSR 22-04-023, § 458-19-065, filed 1/24/22, effective 2/24/22. Statutory Authority: RCW 84.08.010, 84.08.070, 84.08.080, 84.48.200, 84.52.0502, and 84.55.060. WSR 15-03-087, § 458-19-065, filed 1/21/15, effective 2/21/15. Statutory Authority: RCW 84.08.010, 84.08.070, 84.48.080, 84.55.060, 84.52.0502, chapters 84.52 and 84.55 RCW, and RCW 34.05.230(1). WSR 02-24-015, § 458-19-065, filed 11/25/02, effective 12/26/02. Statutory Authority: RCW 84.55.060 and 84.08.070. WSR 94-07-066, § 458-19-065, filed 3/14/94, effective 4/14/94.]