

WAC 458-30-317 Principal residence of farm operator or housing for farm and agricultural employees. (1) **Introduction.** Under RCW 84.34.020 (2)(d) the land on which the principal residence of the farm operator or owner of farm and agricultural land is situated and the housing for farm and agricultural employees is situated may be classified as farm and agricultural land.

This section explains the criteria that must be met to include this type of residence or employee housing within the farm and agricultural land classification and the procedure used to value a classified residence or housing.

(2) **Definitions.** For purposes of this section, the following definitions apply:

(a) "Farm employee or farm and agricultural employee" means an individual who is employed on farm and agricultural land on a full-time basis or a seasonal or migratory worker who works on farm and agricultural land only during the planting, growing, and/or harvesting seasons.

(i) For purposes of this section, "full-time basis" refers to an individual who is employed at least twenty-five hours per week on farm and agricultural land.

(ii) The term does not include a person who is employed full time by a business activity that is not conducted on classified farm and agricultural land and who only works occasional weekends or during the harvest season on classified farm and agricultural land.

For example, housing occupied by a person who works full time at a foundry and who works on a farm only two weeks per year helping with the wheat harvest should not be granted classification.

(b) "Integral" means that which is central to or inherent in the use or operation of classified farm and agricultural land for commercial agricultural purposes. For purposes of this section, the residence of the farm operator or owner and/or housing for farm employees must be the place(s) from which the farmer conducts his commercial agricultural business.

(c) "True and fair value" means the value of a parcel of land placed on the assessment rolls at its highest and best use without regard to its current use value. The term also refers to market value; that is, the amount of money a buyer willing but not obligated to buy would pay to a seller willing but not obligated to sell for the real property.

(3) **Requirements for classification.** The land on which the principal residence of a farm operator or the owner of land is situated and the housing for farm or agricultural employees is situated may be classified as farm and agricultural land if it meets the following conditions:

(a) The land on which the residence or housing stands is twenty or more acres or multiple parcels that are contiguous and total twenty or more acres; and

(i) Primarily used to produce livestock or agricultural products for commercial purposes; or

(ii) Enrolled in the federal Conservation Reserve Program or its successor administered by the United States Department of Agriculture; and

(b) The use of the residence or housing is integral to the use of the classified land for commercial agricultural purposes.

(4) **Examples.**

(a) On a parcel of land twenty acres or more, there are two dwellings: One is the principal residence of the farm operator or own-

er of classified farm and agricultural land and the second is inhabited by the owner's son who is employed full time at a foundry in town and works on the farm only during harvest time. The land on which the principal residence is situated may be classified as farm and agricultural land if the use of the dwelling is integral to the use of the classified land. The land on which the second home is situated may not be included within the farm and agricultural land classification because it is not inhabited by a farm employee as defined in subsection (2) of this section.

(b) On a parcel of land twenty acres or more, there are two dwellings: One is the principal residence of the farm operator or owner of farm and agricultural land and the second is inhabited by seasonal farm workers who work on the farm only during harvest time. The land on which both dwellings are situated may be classified as farm and agricultural land if the use of the dwellings are integral to the use of the classified land.

(c) On a parcel of classified land that is twenty acres, there is one dwelling. This dwelling is occupied by the owner of the classified land but the owner does not run the farm. The farm is leased to a cooperative that conducts the commercial agricultural activities of the farm from central administrative headquarters that are not located on the classified land. The land on which this dwelling stands may not be classified as farm and agricultural land because the use of the dwelling is not integral to the commercial agricultural purposes of the farm.

(5) **Valuation.**

(a) The land. The land on which the principal residence of a farm operator or owner of farm and agricultural land or the housing for farm and agricultural employees is situated shall be valued in the following manner:

(i) The prior's year average value of classified farm and agricultural land in the county; plus

(ii) The value of land improvements used to serve the residence or housing, such as sewer, water, and power.

(iii) If the use of the residence or housing for employees is not integral to the farming operation, the land on which the residence or housing stands shall be valued at its true and fair value in accordance with WAC 458-12-301.

(b) The principal residence or housing for employees. The building(s) used by the farm operator or owner as his or her principal residence and building(s) used to provide shelter to farm and agricultural employees shall be valued at its true and fair value in accordance with WAC 458-12-301.

(c) Excluded structures. The land on which storeyards, barns, machine sheds, and similar type structures are located shall not be considered as part of the principal residence of the farm operator or owner nor housing for farm and agricultural employees. However, the land upon which these structures stand may be classified as farm and agricultural land generally.

(6) **Withdrawal or removal.** Additional tax, interest, and penalty, if owed, are not imposed if farm and agricultural land classified under RCW 84.34.020 (2)(d) is withdrawn or removed from classification.

(7) **Effect of 1992 legislation on county revaluation cycle.** Land on which the farm owner's or operator's residence is located and land on which the housing for farm and agricultural employees is located shall be revalued in accordance with the 1992 legislative changes, described in subsection (5) of this section, only in the assessment year

when the land is being revalued in accordance with the county's revaluation cycle.

[Statutory Authority: RCW 84.08.110, 84.08.070, 84.34.141 and 84.34.360. WSR 95-21-002, § 458-30-317, filed 10/4/95, effective 11/4/95.]