

RESOLUTION NO. 2015-06-19

A Resolution relating to the 2014 Current Use Real Property Assessment Applications for Open Space and Timberland designation.

WHEREAS, the Planning Commission conducted a duly advertised public hearing on May 21, 2015 to consider Clark County Department of Environmental Services staff recommendations for approval of the 2014 Current Use Real Property Assessment Applications for Open Space and Timberland designation; and

WHEREAS, the Planning Commission voted to forward a recommendation of approval of these Applications to the Board of County Councilors; and

WHEREAS, the Board of County Councilors is in receipt of the staff report containing its recommendations for approval of the 2014 Current Use Real Property Assessment Applications; and

WHEREAS, the Board conducted a duly advertised public hearing on June 30, 2015 to consider Planning Commission and Environmental Services Staff recommendations for approval of the 2014 Current Use Real Property Assessment Applications for Open Space and Timberland designation; and

WHEREAS, the Board concurs with the Clark County Planning Commission's and Environmental Services Staff's analysis and recommendations, as summarized in the attached Exhibit "A" under "PC RECOMMENDATION;"

NOW, THEREFORE, BE IT ORDERED AND RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CLARK COUNTY, STATE OF WASHINGTON, as follows:



Section 1. Adoption.

The applications for 2015 Current Use Real Property Assessment, as recommended for approval, denial, or partial approval by memorandum from the Clark County Planning Commission attached hereto as Exhibit "A", are hereby approved at the public hearing by the Board.

Section 2. Filing


This resolution shall be filed and recorded with the Clark County Auditor.

ADOPTED this 30th day of June, 2015.

BOARD OF COUNCILORS
FOR CLARK COUNTY, WASHINGTON

Attest:

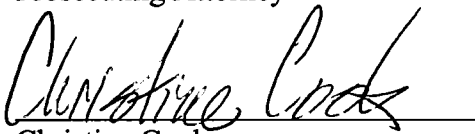

Clerk to the Board

By: 
David Madore, Chair

APPROVED AS TO FORM ONLY:

Anthony F. Golik
Prosecuting Attorney

By: _____
Jeanne E. Stewart, Councilor


Christine Cook
Sr. Deputy Prosecuting Attorney

By: _____
Tom Mielke, Councilor

**CLARK COUNTY
STAFF REPORT**

DEPARTMENT/DIVISION: Environmental Services / Resource Enhancement and Permitting

DATE: June 30, 2015

REQUEST: The Board of County Councilors will review for approval the 2014 Current Use Assessment Program requests. (Timberland/Open Space)

CHECK ONE: Consent Hearing Chief Administrative Officer

BACKGROUND: This is the 29th year the county has reviewed Current Use Assessment applications. The Department of Environmental Services (DES) and Assessor's Office staff have reviewed the Current Use Assessment requests accepted during 2014. Approved requests will be reflected on the first half tax statements for the year 2016. As required by Revised Code of Washington (RCW) 84.34.037, Current Use Assessment requests are processed in the same manner as a Comprehensive Plan Amendment. Requests are usually evaluated after receiving the applications late in the calendar year proceeding the year of tax assessment to be under Current Use.

All requests for "Timberland" and "Open Space" classification require Planning Commission review and approval by the Board of County Commissioners. Planning Commission review occurred on May 21, 2015. The Timberland classification requires a 5-acre minimum parcel size, exclusive of a one acre home site, and parcels may be transferred from Designated Forest Land or Farm & Agriculture. Stocking and management requirements are enumerated in County Code Chapter 3.08.070. Open Space classification criteria vary according to category.


COMMUNITY OUTREACH: Notification about this program occurs through stakeholders such as the Washington Farm Forestry Association's Clark County Chapter, local agricultural groups (i.e NRCS and WSU Cooperative Extension). Outreach events included a forest planning seminar in Chehalis in the spring of 2014 for this year's applicants.

BUDGET AND POLICY IMPLICATIONS: Fee revenue for each case has been received to support staff reviews and processing. There are no budget or policy implications for this action.

FISCAL IMPACTS: Yes (see Fiscal Impacts Attachment) No

ACTION REQUESTED: The Board of County Councilors will review for approval the 2014 Current Use Assessment Program requests. (Timberland/Open Space)


DISTRIBUTION: Please return the approved staff report to DES Administration.



Kevin Tyler
Division Manager

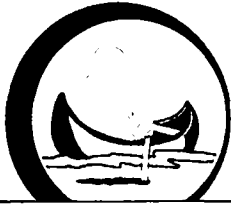
APPROVED: 

BOARD OF CLARK COUNTY COUNCILORS
CLARK COUNTY, WASHINGTON



Don Benton
Environmental Services Director

June 30, 2015



proud past, promising future

CLARK COUNTY
WASHINGTON

DEPARTMENT OF ENVIRONMENTAL SERVICES

FINAL MEMORANDUM

TO: Clark County Board of Councilors
FROM: Clark County Planning Commission
STAFF CONTACT: J. Vandling, Clark County Forester / NRS III

DATE: June 2, 2015
SUBJECT: Year 2014 Reviews for the Year 2015 Current Use Assessment Requests
(Timberland / Open Space)

BACKGROUND:

The Department of Environmental Services and Clark County Assessor's Office staff have reviewed the Current Use Assessment requests accepted during 2014. The approved requests will become effective during September 2015 for the 2016 calendar year tax statements. As required by Revised Code of Washington (RCW) 84.34.037, Current Use Assessment requests are processed in the same manner as a Comprehensive Plan Amendment. These requests are usually evaluated after receiving the applications late in the calendar year preceding the year of tax assessment to be under Current Use.

All requests for "Timberland" and "Open Space" classification require Planning Commission review, and approval by the Board of Commissioners. This is the 28th year the county has reviewed Current Use Assessment applications. The Timberland classification requires a 5-acre minimum parcel size, exclusive of a one acre home site, and parcels may be transferred from Designated Forest Land or Farm & Agriculture. The stocking and management requirements are enumerated in County Code Chapter 3.08.070. Open Space classification criteria vary according to the category requested. All properties have been evaluated in light of these criteria and are attached to this report.

2014 REQUESTS:

The County received 2 total requests for the year 2015 Current Use Assessment. Staff concludes that 0 requests for the Timberland classification fully meet the qualification criteria of Chapter 3.08.070. Staff concludes that 2 requests for Open Space classification meet the applicable criteria of the category chosen under Chapter 3.08 (.040), (.050), (0.55) or (.060), of the Clark County Code.

The following is a summary of the cases for which staff recommends *Approval and Partial Approvals or Denial*:

New Timberland Applications

None

New Open Space Applications

2014-00030 Duncan Hammack.

The applicant has requested that 19.26 acres of the 19.26 acres in parcel# 257370-000 be classified as Open Space Soil Conservation. The site is located at 701 NW 379th St., north of La Center. An on-site review indicated that the area applied for contains a class II soil type of (HcB) and \geq of 10 acres and the area applied for is in \geq 80% food and fiber production. The application meets all criteria for Open Space Soil Conservation as specified in Chapter 3.08.050 of the Clark County Code. Therefore, staff recommends **APPROVAL** of the 19.26 acres

2014-00029 Jeremy & Sarah Nielson.

The applicant has requested that 20.0 acres of the 20.0 acres in parcel# 986034-167 be classified as Open Space Soil Conservation. The site is located at approximately 20410 NE 50th Ave., west of Battle Ground. An on-site review indicated that the area applied for contains a class II soil type of (HcB) and \geq of 10 acres and the area applied for is in \geq 80% food and fiber production. The application meets all criteria for Open Space Soil Conservation as specified in Chapter 3.08.050 of the Clark County Code. Therefore, staff recommends **APPROVAL** of the 20.0 acres

**CLARK COUNTY PLANNING COMMISSION
MINUTES OF PUBLIC HEARING
Thursday, May 21, 2015**

Public Services Center
BOCC Hearing Room
1300 Franklin Street, 6th Floor
Vancouver, WA

6:30 p.m.

CALL TO ORDER

MORASCH: Good evening. I'd like to call to order the May 21st meeting of the Clark County Planning Commission. Can we get roll call.

ROLL CALL

MORASCH: HERE
USKOSKI: ABSENT
BARCA: HERE
QUIRING: HERE
JOHNSON: HERE
BLOM: HERE
BENDER: HERE

Staff Present: Chris Cook, Prosecuting Attorney; Jan Bazala, Planner II; Jim Vandling, County Forester; Sonja Wisner, Administrative Assistant; and Cindy Holley, Court Reporter.

GENERAL & NEW BUSINESS

A. Approval of Agenda for May 21, 2015

MORASCH: Thank you. All right. Approval of the agenda. We have a change to the agenda tonight. We're going to take Items IV.A and B in the reverse order. We're going to do IV.B first, and then we're going to do IV.A. And the reason is that I have a conflict of interest on IV.A, the wineries, one of my partners represents a winery that's affected. So I'm going to recuse myself from the wineries and will be stepping out of the room after we finish with the open space.

B. Approval of Minutes for March 19, 2015

Moving on to approval of the minutes. Does anyone have any comments on the minutes? If not, I'd get a motion to approve the minutes.

QUIRING: So moved.

BLOM: Second.

MORASCH: All in favor?

EVERYBODY: AYE

MORASCH: Opposed? No. Okay. Motion passes.

C. Communications from the Public

Now we're on to the item on the agenda for communications from the public. I don't actually see any members of the public in the audience tonight that aren't County staff, but if anyone would like to come up and testify, now is the time. Seeing no one, we will move on and we will move on to Open Space/Timberlands.

PUBLIC HEARING ITEMS & PLANNING COMMISSION ACTION:

A. OPEN SPACE/TIMBERLANDS

Planning Commission will consider staff recommendations for approval or denial of Timberland or Open Space Applications for Current Use Assessment pursuant to Chapter 84.34 of the RCW. The criteria for Open Space or Timberland was established by Resolution No. 1977-10-32, adopted November 7, 1977 and Ordinance No. 1982-02-65 adopted March 17, 1982, and Ordinance No. 1996-02-30, adopted February 27, 1996.

Contact: Jim Vandling (360) 397-2121, Ext. 4714

E-Mail: jim.vandling@clark.wa.gov

VANDLING: Good morning, Mr. Chairman, fellow Commissioners. I'm Jim Vandling, county forester. I work out of the Department of Environmental Services. I am here for what is the County's 28th year of reviewing current use applications for open space, and this year it's just open space. And we are holding this hearing as our required duties to comply with RCW 84.34 as a growth management county.

This year we have two applications which fall under the review of our Chapter 3.08 of the County Code and they're both for open space soil conservation. As you will see on the second page of the staff report, it has a brief summary of the criteria used to evaluate these two applications. Both applications meet that criteria.

One is 2014, Number 30, for the Hammacks, and they applied for 19.26 acres and we approved them for 19.26 acres. The next one was 2014, Number 29, the Nielsons, they applied for 20 acres and we approved them for 20 acres. The soil types need to be Class 1 or Class 2 soils and they both have those soils.

So really we don't have any other types of categories of application this year. I can explain briefly after we go through the formal motions of moving these on for approval to the Board of Commissioners.

I have attached a couple of other documents that are not related to this particular review, but they're meant for discussion and backup for upcoming anticipated hearings that will be coming to you.

MORASCH: All right. Well, does anyone have any questions about the applications?

BARCA: So, Jim, just in general, normally we have timberland/open space applications and --

VANDLING: Correct.

BARCA: -- and some of the other current use applications.

VANDLING: And I will discuss that here very shortly here with you.

BARCA: Okay.

MORASCH: Okay. No other questions on the applications? Any member of the public wish to testify? Seeing none, I will close the public hearing and turn it over to the Planning Commission for deliberations and/or a motion. Does anyone have any deliberations or a motion?

QUIRING: I would have a **motion** if there are no deliberations.

BARCA: It appears that we're moving in that direction.

MORASCH: It appears that we don't have any deliberation, so I'll let you go ahead and make your motion.

QUIRING: I **MOVE** that we **approve** these applications or approve moving it on to the Board of Commissioners, the applications that are before us for open space.

BLOM: **Second.**

MORASCH: It's been moved and seconded. Is there any discussion on the motion? Without hearing none, I'll ask for a roll call.

ROLL CALL VOTE

BARCA: AYE
QUIRING: AYE
JOHNSON: AYE
BLOM: AYE
BENDER: AYE
MORASCH: AYE

MORASCH: Motion carries. All right. Well, thank you, Jim. You had a presentation you wanted to make on these new statutes.

VANDLING: It will be brief.

MORASCH: Okay. Good.

VANDLING: So Commissioner Barca's question is actually what I'm trying to get across very briefly to you. Effective June 12th of last year, Senate Bill, Washington State Senate Bill 6180 went into effect. It had been under deliberation since March of that year in the House and the Senate and it was finally passed. The Governor signed it and it's now in effect. I have given each of you a copy of the bill. It's 26 pages long. I can summarize it in two short sentences.

It effectively eliminates the open space/timberland designation as they have reduced the minimum acreage for designated forest land which is covered by another RCW down to the same minimum acreage as open space/timberland. The purpose of it was to reduce redundant paperwork on the part of many County Assessor's Offices across the state, and as it is a new piece of legislation that's been implemented, whether or not that works is remained to be seen, but what we have to do here in the County is make some rather administrative changes within the code that we have been using for these hearings ever since I've been here.

So it would be Chapter 3.08 will be the focus of upcoming administrative changes which will end up coming before the Planning Commission. So I wanted to give you a heads up that this minor change is coming.

The other categories of open space will not change. The criteria for approval and review will not change. They will still be there. We'll have all those designations still there except timberland is no longer part of 84.34.

So we have formed a committee between three departments and Chris, our attorney, is helping us. We do need wisdom and so we rely on Chris for that wisdom and we've developed lots of questions. We've solved some of these ourselves. We've gone to the State and the State actually after we kept haranguing them, came up with this question-and-answer sheet. So I think a lot of you will maybe peruse through this Senate Bill and arrive at some of the same questions that are raised in this question-and-answer brochure and I hope that they answer some rather than creating more questions.

So it will be -- I anticipate sometime before the end of this year we'll have somebody from either Community Planning or administration on the 6th floor before you. We will support them as far as any backup information what historically has happened in the program, I anticipate that before the end of the year. So with that being said, do you have questions?

BENDER: Let me make sure I understand. They combined the functionality down to one agency versus two? And the criteria was 20 acres and 5 acres and now it's all 5 acres or larger?

VANDLING: It's all 5 acres. We're not reducing the number of agencies involved. The Department of Revenue still runs the program from the State level. We still administer it and the Board of Councilors is still the legislative body that renders final approval. That part doesn't change. The agency roles don't change; the definitions do.

BENDER: Okay.

BARCA: So, Jim, do you in the brief amount of time we've had to have your organization look at this, do we anticipate that there's going to be any effects, positive or negative, towards Department of Revenue review of the way that we're doing business?

VANDLING: Actually, they really don't need us to make any changes in our overall process. It's just that the timberland designation will not be part of what comes before the Planning Commission. Is what comes before the Planning Commission is only covered under 84, RCW 84.34.

BARCA: Right.

VANDLING: 84.33 is entirely an administrative process outside of the Growth Management Act.

BARCA: But now we're going to have this designated forest land --

VANDLING: Yes.

BARCA: -- and that will be just like from a particular point in time going forward?

VANDLING: Right. It would be like farm and ag. We here at the Planning Commission don't review farm and ag applications. So it's under that RCW, farm and ag and what is now timberland becomes designated forest land, it's all going to be under 84.33. It's non-GMA review and approval item.

BARCA: Okay.

MORASCH: Okay. Any other questions for Jim? All right. Well, thank you.

And now before we move on to the next item on the agenda, I'm going to recuse myself, as I mentioned earlier, and I will turn the meeting over to Ron Barca. Ron, take it over.

(Commissioner Morasch left the hearing.)

BARCA: All right then. Do we need a break? No? Okay. I guess we'll move forward. So we are going to ask staff for then the presentation of Item IV.A on the hearing agenda, Wineries: Noise Measurement Standards.

PUBLIC HEARING ITEMS & PLANNING COMMISSION ACTION, continued

B. WINERIES: NOISE MEASUREMENT STANDARDS

Amend Section 40.260.245.D to defer to the state noise standards when measuring noise associated with winery events. Currently, noise associated with wineries is measured using the dBC weighting system instead of the state standard which uses dBA.

Contact: Jan Bazala (360)-397-2375, Ext. 4499

E-Mail: jan.bazala@clark.wa.gov

BAZALA: Good evening. Jan Bazala with Community Development. A change is proposed to the wineries code to measure noise associated with outdoor events using the same State standards as the County applies to other uses.

Currently noise associated with wineries is measured using the dBC weighting system instead of the regular State standard which uses the dBA weighting system. In addition, the current code has allowable noise levels that are five decibels less than what the State standards allow.

And, unfortunately, I don't have a qualified sound consultant on hand to provide, you know, technical details on it, but in general terms, when you use the A-weighted system, the decibel values of sounds at low frequencies are reduced, and that's compared to using the dBC weighted system which does capture low frequency sound.

So basically noise levels are going to register higher when using dBC versus dBA, and that's especially so when there's a lot of low frequency noise. So the use of the dBC scale combined with having maximum levels that are five decibel less than the State standards using the dBA has proven to be significantly more restrictive than what's allowed for other uses. I think the idea of using the dBC for wineries was well intentioned to try to capture base levels of music, but in practice, it appears to be too limiting.

My understanding is in one case traffic noise from a road nearby itself was higher than the allowable noise levels using the dBC measuring method, so in that case it was impossible for them to comply.

So currently we use standard State noise levels using the dBA system. We apply those to event facilities in the resource zones that are not associated with wineries, home occupations, occasional outdoor events that are reviewed under Section 5.32, kennels, temporary uses, mining and industrial uses.

The existing code that reduces the allowable noise levels by 10 decibels between the hours of 10:00 p.m. and 7:00 a.m. will still apply, because if we defer to the State standards, there's something in the State standards already that reduce allowable noise levels by 10 decibels during those same hours. So that sums up my presentation. So do you have any questions?

BARCA: All right.

QUIRING: I guess my question would be, I just was thinking -- okay. I have my answer. I just looked at it a little more closely. You're leaving the comply with the standards in Chapter 173-60 WAC; correct?

BAZALA: Yes.

QUIRING: You're leaving that there?

BAZALA: Yes. Yeah. Basically just saying defer to the State standards.

QUIRING: Right. This is all highlighted and then so that's -- thank you.

BARCA: So, Jan, for the record then, are we saying that we are going to have a single standard that we will use for all commercial enterprises by moving this change forward?

BAZALA: Yeah.

BARCA: Okay. Are there any other questions for staff?

BENDER: Are these standards 24/7 or is it like a 10:00 curfew or not on Sunday or --

BAZALA: They are -- let's see. I've included the permissible noise levels. Basically, yeah, they're seven days a week. I don't think there's any restrictions in the wineries code as to when you can have events. So basically they're seven days a week, and again between the hours of 10:00 p.m. and 7:00 a.m. the noise levels are reduced by 10 decibels.

BENDER: I found it. Thank you.

BARCA: Okay, then. If we don't have other questions.

JOHNSON: I make a **motion** that we accept staff request and forward a recommendation to the Board of County Councilors to amend County winery code to reflect the new noise standards or what we struck out.

BARCA: Is that clear enough for somebody to second that?

QUIRING: Yeah, I'll **second** it.

BARCA: Okay.

JOHNSON: Right out of there.

BARCA: Yeah. All right then. It's been motioned and seconded. Any discussion before a vote? We call for a vote, please.

ROLL CALL VOTE

QUIRING: AYE
JOHNSON: AYE
BLOM: AYE
BENDER: AYE
BARCA: AYE

BARCA: So it looks like we'll move that forward.

BAZALA: Great.

OLD BUSINESS

None.

NEW BUSINESS

None.

COMMENTS FROM MEMBERS OF THE PLANNING COMMISSION

None.

ADJOURNMENT

The hearing adjourned at 7:10 p.m.

The record of tonight's hearing, as well as the supporting documents and presentations can be viewed on the Clark County Web Page at: <http://www.clark.wa.gov/planning/PCmeetings.html>.

*Proceedings can be viewed on CTV on the following web page link:
<http://old.cityofvancouver.us/cvtv/cvtvindex.ask?section=25437&catID=13>.*

*Minutes Transcribed by:
Cindy Holley, Court Reporter/Rider & Associates, Inc.
Sonja Wiser, Administrative Assistant, Clark County Community Planning*

CERTIFICATION OF ENROLLMENT

SENATE BILL 6180

Chapter 137, Laws of 2014

63rd Legislature
2014 Regular Session

PROPERTY TAXES--FOREST AND OPEN SPACE TIMBER LANDS--CONSOLIDATION

EFFECTIVE DATE: 06/12/14

Passed by the Senate February 17, 2014
YEAS 35 NAYS 13

BRAD OWEN

President of the Senate

Passed by the House March 12, 2014
YEAS 98 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

Approved March 28, 2014, 2:59 p.m.

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 6180** as passed by the Senate and the House of Representatives on the dates hereon set forth.

HUNTER G. GOODMAN

Secretary

FILED

March 31, 2014

**Secretary of State
State of Washington**

SENATE BILL 6180

Passed Legislature - 2014 Regular Session

State of Washington 63rd Legislature 2014 Regular Session

By Senators Braun, Holmquist Newbry, Padden, Sheldon, Brown, Schoesler, Rivers, and Parlette

Read first time 01/16/14. Referred to Committee on Natural Resources & Parks.

1 AN ACT Relating to consolidating designated forest lands and open
2 space timber lands for ease of administration; amending RCW 84.33.035,
3 84.33.130, 84.33.140, 84.33.145, 84.34.030, 84.34.041, 84.34.070,
4 84.34.330, 84.34.340, and 84.34.370; and adding a new section to
5 chapter 84.34 RCW.

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

7 **Sec. 1.** RCW 84.33.035 and 2011 c 101 s 2 are each amended to read
8 as follows:

9 Unless the context clearly requires otherwise, the definitions in
10 this section apply throughout this chapter.

11 (1) "Agricultural methods" means the cultivation of trees that are
12 grown on land prepared by intensive cultivation and tilling, such as
13 irrigating, plowing, or turning over the soil, and on which all
14 unwanted plant growth is controlled continuously for the exclusive
15 purpose of raising trees such as Christmas trees and short-rotation
16 hardwoods.

17 (2) "Average rate of inflation" means the annual rate of inflation
18 as determined by the department averaged over the period of time as

1 provided in RCW 84.33.220 (1) and (2). This rate must be published in
2 the state register by the department not later than January 1st of each
3 year for use in that assessment year.

4 (3) "Composite property tax rate" for a county means the total
5 amount of property taxes levied upon forest lands by all taxing
6 districts in the county other than the state, divided by the total
7 assessed value of all forest land in the county.

8 (4) "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 timber growing and harvesting
11 operation, is considered contiguous. Solely for the purposes of this
12 subsection (4), "same ownership" has the same meaning as in RCW
13 84.34.020(6).

14 (5) "Forest land" is synonymous with "designated forest land" and
15 means any parcel of land that is (~~twenty~~) five or more acres or
16 multiple parcels of land that are contiguous and total (~~twenty~~) five
17 or more acres that is or are devoted primarily to growing and
18 harvesting timber. Designated forest land means the land only and does
19 not include a residential homesite. The term includes land used for
20 incidental uses that are compatible with the growing and harvesting of
21 timber but no more than ten percent of the land may be used for such
22 incidental uses. It also includes the land on which appurtenances
23 necessary for the production, preparation, or sale of the timber
24 products exist in conjunction with land producing these products.

25 (6) "Harvested" means the time when in the ordinary course of
26 business the quantity of timber by species is first definitely
27 determined. The amount harvested must be determined by the Scribner
28 Decimal C Scale or other prevalent measuring practice adjusted to
29 arrive at substantially equivalent measurements, as approved by the
30 department.

31 (7) "Harvester" means every person who from the person's own land
32 or from the land of another under a right or license granted by lease
33 or contract, either directly or by contracting with others for the
34 necessary labor or mechanical services, fells, cuts, or takes timber
35 for sale or for commercial or industrial use. When the United States
36 or any instrumentality thereof, the state, including its departments
37 and institutions and political subdivisions, or any municipal
38 corporation therein so fells, cuts, or takes timber for sale or for

1 commercial or industrial use, the harvester is the first person other
2 than the United States or any instrumentality thereof, the state,
3 including its departments and institutions and political subdivisions,
4 or any municipal corporation therein, who acquires title to or a
5 possessory interest in the timber. The term "harvester" does not
6 include persons performing under contract the necessary labor or
7 mechanical services for a harvester.

8 (8) "Harvesting and marketing costs" means only those costs
9 directly associated with harvesting the timber from the land and
10 delivering it to the buyer and may include the costs of disposing of
11 logging residues. Any other costs that are not directly and
12 exclusively related to harvesting and marketing of the timber, such as
13 costs of permanent roads or costs of reforesting the land following
14 harvest, are not harvesting and marketing costs.

15 (9) "Incidental use" means a use of designated forest land that is
16 compatible with its purpose for growing and harvesting timber. An
17 incidental use may include a gravel pit, a shed or land used to store
18 machinery or equipment used in conjunction with the timber enterprise,
19 and any other use that does not interfere with or indicate that the
20 forest land is no longer primarily being used to grow and harvest
21 timber.

22 (10) "Local government" means any city, town, county, water-sewer
23 district, public utility district, port district, irrigation district,
24 flood control district, or any other municipal corporation, quasi-
25 municipal corporation, or other political subdivision authorized to
26 levy special benefit assessments for sanitary or storm sewerage
27 systems, domestic water supply or distribution systems, or road
28 construction or improvement purposes.

29 (11) "Local improvement district" means any local improvement
30 district, utility local improvement district, local utility district,
31 road improvement district, or any similar unit created by a local
32 government for the purpose of levying special benefit assessments
33 against property specially benefitted by improvements relating to the
34 districts.

35 (12) "Owner" means the party or parties having the fee interest in
36 land, except where land is subject to a real estate contract "owner"
37 means the contract vendee.

1 (13) "Primarily" or "primary use" means the existing use of the
2 land is so prevalent that when the characteristic use of the land is
3 evaluated any other use appears to be conflicting or nonrelated.

4 (14) "Short-rotation hardwoods" means hardwood trees, such as but
5 not limited to hybrid cottonwoods, cultivated by agricultural methods
6 in growing cycles shorter than fifteen years.

7 (15) "Small harvester" means every person who from his or her own
8 land or from the land of another under a right or license granted by
9 lease or contract, either directly or by contracting with others for
10 the necessary labor or mechanical services, fells, cuts, or takes
11 timber for sale or for commercial or industrial use in an amount not
12 exceeding two million board feet in a calendar year. When the United
13 States or any instrumentality thereof, the state, including its
14 departments and institutions and political subdivisions, or any
15 municipal corporation therein so fells, cuts, or takes timber for sale
16 or for commercial or industrial use, not exceeding these amounts, the
17 small harvester is the first person other than the United States or any
18 instrumentality thereof, the state, including its departments and
19 institutions and political subdivisions, or any municipal corporation
20 therein, who acquires title to or a possessory interest in the timber.
21 Small harvester does not include persons performing under contract the
22 necessary labor or mechanical services for a harvester, and it does not
23 include the harvesters of Christmas trees or short-rotation hardwoods.

24 (16) "Special benefit assessments" means special assessments levied
25 or capable of being levied in any local improvement district or
26 otherwise levied or capable of being levied by a local government to
27 pay for all or part of the costs of a local improvement and which may
28 be levied only for the special benefits to be realized by property by
29 reason of that local improvement.

30 (17) "Stumpage value of timber" means the appropriate stumpage
31 value shown on tables prepared by the department under RCW 84.33.091.
32 However, for timber harvested from public land and sold under a
33 competitive bidding process, stumpage value means the actual amount
34 paid to the seller in cash or other consideration. The stumpage value
35 of timber from public land does not include harvesting and marketing
36 costs if the timber from public land is harvested by, or under contract
37 for, the United States or any instrumentality of the United States, the
38 state, including its departments and institutions and political

1 subdivisions, or any municipal corporation therein. Whenever payment
2 for the stumpage includes considerations other than cash, the value is
3 the fair market value of the other consideration. If the other
4 consideration is permanent roads, the value of the roads must be the
5 appraised value as appraised by the seller.

6 (18) "Timber" means forest trees, standing or down, on privately or
7 publicly owned land, and except as provided in RCW 84.33.170 includes
8 Christmas trees and short-rotation hardwoods.

9 (19) "Timber assessed value" for a county means the sum of: (a)
10 The total stumpage value of timber harvested from publicly owned land
11 in the county multiplied by the public timber ratio, plus; (b) the
12 total stumpage value of timber harvested from privately owned land in
13 the county multiplied by the private timber ratio. The numerator of
14 the public timber ratio is the rate of tax imposed by the county under
15 RCW 84.33.051 on public timber harvests for the year of the
16 calculation. The numerator of the private timber ratio is the rate of
17 tax imposed by the county under RCW 84.33.051 on private timber
18 harvests for the year of the calculation. The denominator of the
19 private timber ratio and the public timber ratio is the composite
20 property tax rate for the county for taxes due in the year of the
21 calculation, expressed as a percentage of assessed value. The
22 department must use the stumpage value of timber harvested during the
23 most recent four calendar quarters for which the information is
24 available. The department must calculate the timber assessed value for
25 each county before October 1st of each year.

26 (20) "Timber assessed value" for a taxing district means the timber
27 assessed value for the county multiplied by a ratio. The numerator of
28 the ratio is the total assessed value of forest land in the taxing
29 district. The denominator is the total assessed value of forest land
30 in the county. As used in this section, "assessed value of forest
31 land" means the assessed value of forest land for taxes due in the year
32 the timber assessed value for the county is calculated plus an
33 additional value for public forest land. The additional value for
34 public forest land is the product of the number of acres of public
35 forest land that are available for timber harvesting determined under
36 RCW 84.33.089 and the average assessed value per acre of private forest
37 land in the county.

1 (21) "Timber management plan" means a plan prepared by a trained
2 forester, or any other person with adequate knowledge of timber
3 management practices, concerning the use of the land to grow and
4 harvest timber. Such a plan (~~(includes)~~) may include:

5 (a) A legal description of the forest land;

6 (b) A statement that the forest land is held in contiguous
7 ownership of (~~(twenty)~~) five or more acres and is primarily devoted to
8 and used to grow and harvest timber;

9 (c) A brief description of the timber on the forest land or, if the
10 timber on the land has been harvested, the owner's plan to restock the
11 land with timber;

12 (d) A statement about whether the forest land is also used to graze
13 livestock;

14 (e) A statement about whether the land has been used in compliance
15 with the restocking, forest management, fire protection, insect and
16 disease control, and forest debris provisions of Title 76 RCW; and

17 (f) If the land has been recently harvested or supports a growth of
18 brush and noncommercial type timber, a description of the owner's plan
19 to restock the forest land within three years.

20 **Sec. 2.** RCW 84.33.130 and 2003 c 170 s 4 are each amended to read
21 as follows:

22 (1) (a) (i) Notwithstanding any other provision of law, lands that
23 were assessed as classified forest land before July 22, 2001, (~~(shall~~
24 ~~be)~~) or as timber land under chapter 84.34 RCW before the merger date
25 adopted by the county under section 5 of this act, are designated
26 forest land for the purposes of this chapter.

27 (ii) The owners of (~~(previously classified forest)~~) land (~~(shall)~~)
28 subject to the requirements of (a) (i) of this subsection are not (~~(be)~~)
29 required to apply for designation under this chapter. (~~(As of July 22,~~
30 ~~2001,)~~) The land and timber on such land (~~(shall)~~) must be assessed and
31 taxed in accordance with the provisions of this chapter as of the date
32 the land is designated forest land under (a) (i) of this subsection.

33 (b) If a county legislative authority opts under section 5 of this
34 act to merge its timber land classification with the designated forest
35 land program of the county, the following provisions apply beginning on
36 the adopted merger date:

1 (i) The date the property was classified as timber land is
2 considered to be the date the property was designated as forest land
3 under this chapter;

4 (ii) The county assessor must notify each owner of timber land of
5 the merger by certified mail; and

6 (iii) For any forest land subject to the provisions of (b)(i) of
7 this subsection that is then removed from designation, only
8 compensating tax will be collected as a result of the removal in
9 accordance with RCW 84.33.140(12), unless otherwise provided by law.

10 (2) An owner of land desiring that it be designated as forest land
11 and valued under RCW 84.33.140 as of January 1st of any year (~~shall~~)
12 must submit an application to the assessor of the county in which the
13 land is located before January 1st of that year. The application
14 (~~shall~~) must be accompanied by a reasonable processing fee when the
15 county legislative authority has established the requirement for such
16 a fee.

17 (3) No application of designation is required when publicly owned
18 forest land is exchanged for privately owned forest land designated
19 under this chapter. The land exchanged and received by an owner
20 subject to ad valorem taxation (~~shall be~~) is automatically granted
21 designation under this chapter if the following conditions are met:

22 (a) The land will be used to grow and harvest timber; and

23 (b) The owner of the land submits a document to the assessor's
24 office that explains the details of the forest land exchange within
25 sixty days of the closing date of the exchange. However, if the owner
26 fails to submit information regarding the exchange by the end of this
27 sixty-day period, the owner must file an application for designation as
28 forest land under this chapter and the regular application process will
29 be followed.

30 (4) The application (~~shall~~) must be made upon forms prepared by
31 the department and supplied by the assessor, and (~~shall~~) must include
32 the following:

33 (a) A legal description of, or assessor's parcel numbers for, all
34 land the applicant desires to be designated as forest land;

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

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

1 (d) A copy of the timber management plan, if one exists, for the
2 land prepared by a trained forester or any other person with adequate
3 knowledge of timber management practices;

4 (e) If a timber management plan exists, an explanation of the
5 nature and extent to which the management plan has been implemented;

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

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

9 (h) Whether the land and the applicant are in compliance with the
10 restocking, forest management, fire protection, insect and disease
11 control, and forest debris provisions of Title 76 RCW or any applicable
12 rules under Title 76 RCW;

13 (i) Whether the land is subject to forest fire protection
14 assessments under RCW 76.04.610;

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

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

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

22 (m) A statement that the applicant is aware of the potential tax
23 liability involved when the land ceases to be designated as forest
24 land;

25 (n) An affirmation that the statements contained in the application
26 are true and that the land described in the application meets the
27 definition of forest land in RCW 84.33.035; and

28 (o) A description and/or drawing showing what areas of land for
29 which designation is sought are used for incidental uses compatible
30 with the definition of forest land in RCW 84.33.035.

31 (5) The assessor (~~shall~~) must afford the applicant an opportunity
32 to be heard if the applicant so requests.

33 (6) The assessor (~~shall~~) must act upon the application with due
34 regard to all relevant evidence and without any one or more items of
35 evidence necessarily being determinative, except that the application
36 may be denied for one of the following reasons, without regard to other
37 items:

1 (a) The land does not contain a "merchantable stand of timber" as
2 defined in chapter 76.09 RCW and applicable rules. This reason (~~shall~~
3 ~~not~~) alone (~~be~~) is not sufficient to deny the application (i) if the
4 land has been recently harvested or supports a growth of brush or
5 noncommercial type timber, and the application includes a plan for
6 restocking within three years or a longer period necessitated by
7 unavailability of seed or seedlings, or (ii) if only isolated areas
8 within the land do not meet the minimum standards due to rock
9 outcroppings, swamps, unproductive soil or other natural conditions;

10 (b) The applicant, with respect to the land, has failed to comply
11 with a final administrative or judicial order with respect to a
12 violation of the restocking, forest management, fire protection, insect
13 and disease control, and forest debris provisions of Title 76 RCW or
14 any applicable rules under Title 76 RCW; or

15 (c) The land abuts a body of salt water and lies between the line
16 of ordinary high tide and a line paralleling the ordinary high tide
17 line and two hundred feet horizontally landward from the high tide
18 line. However, if the assessor determines that a higher and better use
19 exists for the land but this use would not be permitted or economically
20 feasible by virtue of any federal, state, or local law or regulation,
21 the land (~~shall~~) must be assessed and valued under RCW 84.33.140
22 without being designated as forest land.

23 (7) The application (~~shall be~~) is deemed to have been approved
24 unless, prior to (~~May~~) July 1st of the year after the application was
25 mailed or delivered to the assessor, the assessor notifies the
26 applicant in writing of the extent to which the application is denied.

27 (8) An owner who receives notice that his or her application has
28 been denied, in whole or in part, may appeal the denial to the county
29 board of equalization in accordance with the provisions of RCW
30 84.40.038.

31 **Sec. 3.** RCW 84.33.140 and 2013 2nd sp.s. c 11 s 13 are each
32 amended to read as follows:

33 (1) When land has been designated as forest land under RCW
34 84.33.130, a notation of the designation must be made each year upon
35 the assessment and tax rolls. A copy of the notice of approval
36 together with the legal description or assessor's parcel numbers for

1 the land must, at the expense of the applicant, be filed by the
2 assessor in the same manner as deeds are recorded.

3 (2) In preparing the assessment roll as of January 1, 2002, for
4 taxes payable in 2003 and each January 1st thereafter, the assessor
5 must list each parcel of designated forest land at a value with respect
6 to the grade and class provided in this subsection and adjusted as
7 provided in subsection (3) of this section. The assessor must compute
8 the assessed value of the land using the same assessment ratio applied
9 generally in computing the assessed value of other property in the
10 county. Values for the several grades of bare forest land are as
11 follows:

| 12 | LAND | OPERABILITY | VALUES |
|----|-------|-------------|----------|
| 13 | GRADE | CLASS | PER ACRE |
| 14 | | 1 | \$234 |
| 15 | 1 | 2 | 229 |
| 16 | | 3 | 217 |
| 17 | | 4 | 157 |
| 18 | | 1 | 198 |
| 19 | 2 | 2 | 190 |
| 20 | | 3 | 183 |
| 21 | | 4 | 132 |
| 22 | | 1 | 154 |
| 23 | 3 | 2 | 149 |
| 24 | | 3 | 148 |
| 25 | | 4 | 113 |
| 26 | | 1 | 117 |
| 27 | 4 | 2 | 114 |
| 28 | | 3 | 113 |
| 29 | | 4 | 86 |
| 30 | | 1 | 85 |
| 31 | 5 | 2 | 78 |
| 32 | | 3 | 77 |
| 33 | | 4 | 52 |
| 34 | | 1 | 43 |
| 35 | 6 | 2 | 39 |
| 36 | | 3 | 39 |

| | | | |
|---|---|---|----|
| 1 | | 4 | 37 |
| 2 | | 1 | 21 |
| 3 | 7 | 2 | 21 |
| 4 | | 3 | 20 |
| 5 | | 4 | 20 |
| 6 | 8 | | 1 |

7 (3) On or before December 31, 2001, the department must adjust by
8 rule under chapter 34.05 RCW, the forest land values contained in
9 subsection (2) of this section in accordance with this subsection, and
10 must certify the adjusted values to the assessor who will use these
11 values in preparing the assessment roll as of January 1, 2002. For the
12 adjustment to be made on or before December 31, 2001, for use in the
13 2002 assessment year, the department must:

14 (a) Divide the aggregate value of all timber harvested within the
15 state between July 1, 1996, and June 30, 2001, by the aggregate harvest
16 volume for the same period, as determined from the harvester excise tax
17 returns filed with the department under RCW 84.33.074; and

18 (b) Divide the aggregate value of all timber harvested within the
19 state between July 1, 1995, and June 30, 2000, by the aggregate harvest
20 volume for the same period, as determined from the harvester excise tax
21 returns filed with the department under RCW 84.33.074; and

22 (c) Adjust the forest land values contained in subsection (2) of
23 this section by a percentage equal to one-half of the percentage change
24 in the average values of harvested timber reflected by comparing the
25 resultant values calculated under (a) and (b) of this subsection.

26 (4) For the adjustments to be made on or before December 31, 2002,
27 and each succeeding year thereafter, the same procedure described in
28 subsection (3) of this section must be followed using harvester excise
29 tax returns filed under RCW 84.33.074. However, this adjustment must
30 be made to the prior year's adjusted value, and the five-year periods
31 for calculating average harvested timber values must be successively
32 one year more recent.

33 (5) Land graded, assessed, and valued as forest land must continue
34 to be so graded, assessed, and valued until removal of designation by
35 the assessor upon the occurrence of any of the following:

36 (a) Receipt of notice of request to withdraw land classified under
37 RCW 84.34.020(3) within two years before the date of the merger under

1 section 5 of this act. Land previously classified under chapter 84.34
2 RCW will be removed under the provisions of this chapter when two
3 assessment years have passed following receipt of the notice as
4 described in RCW 84.34.070(1);

5 (b) Receipt of notice from the owner to remove the designation;

6 ~~((+b+))~~ (c) Sale or transfer to an ownership making the land exempt
7 from ad valorem taxation;

8 ~~((+e+))~~ (d) Sale or transfer of all or a portion of the land to a
9 new owner, unless the new owner has signed a notice of forest land
10 designation continuance, except transfer to an owner who is an heir or
11 devisee of a deceased owner, does not, by itself, result in removal of
12 designation. The signed notice of continuance must be attached to the
13 real estate excise tax affidavit provided for in RCW 82.45.150. The
14 notice of continuance must be on a form prepared by the department. If
15 the notice of continuance is not signed by the new owner and attached
16 to the real estate excise tax affidavit, all compensating taxes
17 calculated under subsection (11) of this section are due and payable by
18 the seller or transferor at time of sale. The auditor may not accept
19 an instrument of conveyance regarding designated forest land for filing
20 or recording unless the new owner has signed the notice of continuance
21 or the compensating tax has been paid, as evidenced by the real estate
22 excise tax stamp affixed thereto by the treasurer. The seller,
23 transferor, or new owner may appeal the new assessed valuation
24 calculated under subsection (11) of this section to the county board of
25 equalization in accordance with the provisions of RCW 84.40.038.
26 Jurisdiction is hereby conferred on the county board of equalization to
27 hear these appeals;

28 ~~((+d+))~~ (e) Determination by the assessor, after giving the owner
29 written notice and an opportunity to be heard, that:

30 (i) The land is no longer primarily devoted to and used for growing
31 and harvesting timber. However, land may not be removed from
32 designation if a governmental agency, organization, or other recipient
33 identified in subsection (13) or (14) of this section as exempt from
34 the payment of compensating tax has manifested its intent in writing or
35 by other official action to acquire a property interest in the
36 designated forest land by means of a transaction that qualifies for an
37 exemption under subsection (13) or (14) of this section. The
38 governmental agency, organization, or recipient must annually provide

1 the assessor of the county in which the land is located reasonable
2 evidence in writing of the intent to acquire the designated land as
3 long as the intent continues or within sixty days of a request by the
4 assessor. The assessor may not request this evidence more than once in
5 a calendar year;

6 (ii) The owner has failed to comply with a final administrative or
7 judicial order with respect to a violation of the restocking, forest
8 management, fire protection, insect and disease control, and forest
9 debris provisions of Title 76 RCW or any applicable rules under Title
10 76 RCW; or

11 (iii) Restocking has not occurred to the extent or within the time
12 specified in the application for designation of such land.

13 (6) Land may not be removed from designation if there is a
14 governmental restriction that prohibits, in whole or in part, the owner
15 from harvesting timber from the owner's designated forest land. If
16 only a portion of the parcel is impacted by governmental restrictions
17 of this nature, the restrictions cannot be used as a basis to remove
18 the remainder of the forest land from designation under this chapter.

19 For the purposes of this section, "governmental restrictions" includes:

20 (a) Any law, regulation, rule, ordinance, program, or other action
21 adopted or taken by a federal, state, county, city, or other
22 governmental entity; or (b) the land's zoning or its presence within an
23 urban growth area designated under RCW 36.70A.110.

24 (7) The assessor has the option of requiring an owner of forest
25 land to file a timber management plan with the assessor upon the
26 occurrence of one of the following:

27 (a) An application for designation as forest land is submitted;
28 ((e))

29 (b) Designated forest land is sold or transferred and a notice of
30 continuance, described in subsection (5) ((e)) (d) of this section, is
31 signed; or

32 (c) The assessor has reason to believe that forest land sized less
33 than twenty acres is no longer primarily devoted to and used for
34 growing and harvesting timber. The assessor may require a timber
35 management plan to assist with determining continuing eligibility as
36 designated forest land.

37 (8) If land is removed from designation because of any of the
38 circumstances listed in subsection (5) (a) through ((e)) (d) of this

1 section, the removal applies only to the land affected. If land is
2 removed from designation because of subsection (5)((~~d~~))(e) of this
3 section, the removal applies only to the actual area of land that is no
4 longer primarily devoted to the growing and harvesting of timber,
5 without regard to any other land that may have been included in the
6 application and approved for designation, as long as the remaining
7 designated forest land meets the definition of forest land contained in
8 RCW 84.33.035.

9 (9) Within thirty days after the removal of designation as forest
10 land, the assessor must notify the owner in writing, setting forth the
11 reasons for the removal. The seller, transferor, or owner may appeal
12 the removal to the county board of equalization in accordance with the
13 provisions of RCW 84.40.038.

14 (10) Unless the removal is reversed on appeal a copy of the notice
15 of removal with a notation of the action, if any, upon appeal, together
16 with the legal description or assessor's parcel numbers for the land
17 removed from designation must, at the expense of the applicant, be
18 filed by the assessor in the same manner as deeds are recorded and a
19 notation of removal from designation must immediately be made upon the
20 assessment and tax rolls. The assessor must revalue the land to be
21 removed with reference to its true and fair value as of January 1st of
22 the year of removal from designation. Both the assessed value before
23 and after the removal of designation must be listed. Taxes based on
24 the value of the land as forest land are assessed and payable up until
25 the date of removal and taxes based on the true and fair value of the
26 land are assessed and payable from the date of removal from
27 designation.

28 (11) Except as provided in subsection (5)((~~e~~))(d), (13), or (14)
29 of this section, a compensating tax is imposed on land removed from
30 designation as forest land. The compensating tax is due and payable to
31 the treasurer thirty days after the owner is notified of the amount of
32 this tax. As soon as possible after the land is removed from
33 designation, the assessor must compute the amount of compensating tax
34 and mail a notice to the owner of the amount of compensating tax owed
35 and the date on which payment of this tax is due. The amount of
36 compensating tax is equal to the difference between the amount of tax
37 last levied on the land as designated forest land and an amount equal
38 to the new assessed value of the land multiplied by the dollar rate of

1 the last levy extended against the land, multiplied by a number, in no
2 event greater than nine, equal to the number of years for which the
3 land was designated as forest land, plus compensating taxes on the land
4 at forest land values up until the date of removal and the prorated
5 taxes on the land at true and fair value from the date of removal to
6 the end of the current tax year.

7 (12) Compensating tax, together with applicable interest thereon,
8 becomes a lien on the land, which attaches at the time the land is
9 removed from designation as forest land and has priority and must be
10 fully paid and satisfied before any recognizance, mortgage, judgment,
11 debt, obligation, or responsibility to or with which the land may
12 become charged or liable. The lien may be foreclosed upon expiration
13 of the same period after delinquency and in the same manner provided by
14 law for foreclosure of liens for delinquent real property taxes as
15 provided in RCW 84.64.050. Any compensating tax unpaid on its due date
16 will thereupon become delinquent. From the date of delinquency until
17 paid, interest is charged at the same rate applied by law to delinquent
18 ad valorem property taxes.

19 (13) The compensating tax specified in subsection (11) of this
20 section may not be imposed if the removal of designation under
21 subsection (5) of this section resulted solely from:

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

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

27 (c) A donation of fee title, development rights, or the right to
28 harvest timber, to a government agency or organization qualified under
29 RCW 84.34.210 and 64.04.130 for the purposes enumerated in those
30 sections, or the sale or transfer of fee title to a governmental entity
31 or a nonprofit nature conservancy corporation, as defined in RCW
32 64.04.130, exclusively for the protection and conservation of lands
33 recommended for state natural area preserve purposes by the natural
34 heritage council and natural heritage plan as defined in chapter 79.70
35 RCW or approved for state natural resources conservation area purposes
36 as defined in chapter 79.71 RCW, or for acquisition and management as
37 a community forest trust as defined in chapter 79.155 RCW. At such

1 time as the land is not used for the purposes enumerated, the
2 compensating tax specified in subsection (11) of this section is
3 imposed upon the current owner;

4 (d) The sale or transfer of fee title to the parks and recreation
5 commission for park and recreation purposes;

6 (e) Official action by an agency of the state of Washington or by
7 the county or city within which the land is located that disallows the
8 present use of the land;

9 (f) The creation, sale, or transfer of forestry riparian easements
10 under RCW 76.13.120;

11 (g) The creation, sale, or transfer of a conservation easement of
12 private forest lands within unconfined channel migration zones or
13 containing critical habitat for threatened or endangered species under
14 RCW 76.09.040;

15 (h) The sale or transfer of land within two years after the death
16 of the owner of at least a fifty percent interest in the land if the
17 land has been assessed and valued as classified forest land, designated
18 as forest land under this chapter, or classified under chapter 84.34
19 RCW continuously since 1993. The date of death shown on a death
20 certificate is the date used for the purposes of this subsection
21 (13)(h); or

22 (i)(i) The discovery that the land was designated under this
23 chapter in error through no fault of the owner. For purposes of this
24 subsection (13)(i), "fault" means a knowingly false or misleading
25 statement, or other act or omission not in good faith, that contributed
26 to the approval of designation under this chapter or the failure of the
27 assessor to remove the land from designation under this chapter.

28 (ii) For purposes of this subsection (13), the discovery that land
29 was designated under this chapter in error through no fault of the
30 owner is not the sole reason for removal of designation under
31 subsection (5) of this section if an independent basis for removal
32 exists. An example of an independent basis for removal includes the
33 land no longer being devoted to and used for growing and harvesting
34 timber.

35 (14) In a county with a population of more than six hundred
36 thousand inhabitants or in a county with a population of at least two
37 hundred forty-five thousand inhabitants that borders Puget Sound as
38 defined in RCW 90.71.010, the compensating tax specified in subsection

1 (11) of this section may not be imposed if the removal of designation
2 as forest land under subsection (5) of this section resulted solely
3 from:

4 (a) An action described in subsection (13) of this section; or

5 (b) A transfer of a property interest to a government entity, or to
6 a nonprofit historic preservation corporation or nonprofit nature
7 conservancy corporation, as defined in RCW 64.04.130, to protect or
8 enhance public resources, or to preserve, maintain, improve, restore,
9 limit the future use of, or otherwise to conserve for public use or
10 enjoyment, the property interest being transferred. At such time as
11 the property interest is not used for the purposes enumerated, the
12 compensating tax is imposed upon the current owner.

13 **Sec. 4.** RCW 84.33.145 and 2012 c 170 s 2 are each amended to read
14 as follows:

15 (1) If no later than thirty days after removal of designation under
16 this chapter the owner applies for classification under:

17 (a) RCW 84.34.020(1) (~~(, (2), or (3), then)~~);

18 (b) RCW 84.34.020(2); or

19 (c) RCW 84.34.020(3), unless the timber land classification and
20 designated forest land program are merged under section 5 of this act,
21 then, for the purposes of (a), (b), or (c) of this subsection, the
22 designated forest land may not be considered removed from designation
23 for purposes of the compensating tax under RCW 84.33.140 until the
24 application for current use classification under chapter 84.34 RCW is
25 denied or the property is removed from classification under RCW
26 84.34.108.

27 (2) Upon removal of classification under RCW 84.34.108, the amount
28 of compensating tax due under this chapter is equal to:

29 (a) The difference, if any, between the amount of tax last levied
30 on the land as designated forest land and an amount equal to the new
31 assessed valuation of the land when removed from classification under
32 RCW 84.34.108 multiplied by the dollar rate of the last levy extended
33 against the land, multiplied by

34 (b) A number equal to:

35 (i) The number of years the land was designated under this chapter,
36 if the total number of years the land was designated under this chapter
37 and classified under chapter 84.34 RCW is less than ten; or

1 (ii) Ten minus the number of years the land was classified under
2 chapter 84.34 RCW, if the total number of years the land was designated
3 under this chapter and classified under chapter 84.34 RCW is at least
4 ten.

5 ~~((2))~~ (3) Nothing in this section authorizes the continued
6 designation under this chapter or defers or reduces the compensating
7 tax imposed upon forest land not transferred to classification under
8 subsection (1) of this section ~~((which))~~ that does not meet the
9 definition of forest land under RCW 84.33.035. Nothing in this section
10 affects the additional tax imposed under RCW 84.34.108.

11 ~~((3))~~ (4) In a county with a population of more than six hundred
12 thousand inhabitants or in a county with a population of at least two
13 hundred forty-five thousand inhabitants that borders Puget Sound as
14 defined in RCW 90.71.010, no amount of compensating tax is due under
15 this section if the removal from classification under RCW 84.34.108
16 results from a transfer of property described in RCW 84.34.108(6).

17 NEW SECTION. **Sec. 5.** A new section is added to chapter 84.34 RCW
18 to read as follows:

19 (1) A county legislative authority may opt to merge its timber land
20 classification with its designated forest land program. To merge the
21 programs, the authority must enact an ordinance that:

22 (a) Terminates the timber land classification; and

23 (b) Declares that the land that had been classified as timber land
24 is designated forest land under chapter 84.33 RCW.

25 (2) After a county timber land program is terminated:

26 (a) Land that had been classified as timber land within the county
27 is deemed to be designated forest land under the provisions of RCW
28 84.33.130(1) and is no longer considered to be classified timber land
29 for the purposes of this chapter; and

30 (b) Any agreement prepared by the granting authority when an
31 application was approved classifying land as timber land is terminated
32 and no longer in effect.

33 (3) A county must notify the department after taking action under
34 this section. The department must maintain a list of all counties that
35 have provided this notice on their agency internet web site.

1 **Sec. 6.** RCW 84.34.030 and 1989 c 378 s 10 are each amended to read
2 as follows:

3 (1) An owner of (~~agricultural~~) land desiring current use
4 classification under (~~subsection (2) of~~) RCW 84.34.020 (~~shall~~) must
5 make application as follows:

6 (a) Application for classification under RCW 84.34.020(2) must be
7 made to the county assessor upon forms prepared by the state department
8 of revenue and supplied by the county assessor. (~~An owner of open~~
9 space or timber land desiring current use))

10 (b) Application for classification under (~~subsections (1) and (3)~~
11 of)):

12 (i) RCW 84.34.020 (~~shall make application~~) (1); or

13 (ii) RCW 84.34.020(3), unless the timber land classification and
14 designated forest land program are merged under section 5 of this act
15 must be made, for (b)(i) or (ii) of this subsection, to the county
16 legislative authority upon forms prepared by the state department of
17 revenue and supplied by the county assessor.

18 (2) The application (~~shall~~) must be accompanied by a reasonable
19 processing fee if (~~such~~) a processing fee is established by the city
20 or county legislative authority. (~~Said~~) The application (~~shall~~)
21 may require only such information reasonably necessary to properly
22 classify an area of land under this chapter with a notarized
23 verification of the truth thereof and (~~shall~~) must include a
24 statement that the applicant is aware of the potential tax liability
25 involved when (~~such~~) the land ceases to be (~~designated~~) classified
26 as open space, farm and agricultural or timber land. Applications must
27 be made during the calendar year preceding that in which (~~such~~)
28 classification is to begin.

29 (3) The assessor (~~shall~~) must make necessary information,
30 including copies of this chapter and applicable regulations, readily
31 available to interested parties, and (~~shall~~) must render reasonable
32 assistance to such parties upon request.

33 **Sec. 7.** RCW 84.34.041 and 2009 c 350 s 14 are each amended to read
34 as follows:

35 (1) An application for current use classification or
36 reclassification under RCW 84.34.020(3) (~~shall~~) must be made to the
37 county legislative authority.

1 (~~(1)~~) The application (~~(shall)~~) must be made upon forms prepared
2 by the department of revenue and supplied by the granting authority and
3 (~~(shall)~~) must include the following elements that constitute a timber
4 management plan:

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

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

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

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

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

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

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

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

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

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

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

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

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

31 (2) An application made for classification of land under RCW
32 84.34.020(3) (~~(shall)~~) must be acted upon after a public hearing and
33 after notice of the hearing is given by one publication in a newspaper
34 of general circulation in the area at least ten days before the
35 hearing. Application for classification of land in an incorporated
36 area (~~(shall)~~) must be acted upon by: (a) A granting authority
37 composed of three members of the county legislative body and three
38 members of the city legislative body in which the land is located in a

1 meeting where members may be physically absent but participating
2 through telephonic connection; or (b) separate affirmative acts by both
3 the county and city legislative bodies where both bodies affirm the
4 entirety of an application without modification or both bodies affirm
5 an application with identical modifications.

6 (3) The granting authority (~~shall~~) must act upon the application
7 with due regard to all relevant evidence and without any one or more
8 items of evidence necessarily being determinative, except that the
9 application may be denied for one of the following reasons, without
10 regard to other items:

11 (a) The land does not contain a stand of timber as defined in
12 chapter 76.09 RCW and applicable rules, except this reason (~~shall~~
13 ~~not~~) alone (~~be~~) is not sufficient to deny the application (i) if the
14 land has been recently harvested or supports a growth of brush or
15 noncommercial type timber, and the application includes a plan for
16 restocking within three years or the longer period necessitated by
17 unavailability of seed or seedlings, or (ii) if only isolated areas
18 within the land do not meet minimum standards due to rock outcroppings,
19 swamps, unproductive soil, or other natural conditions;

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

25 (c) The land abuts a body of salt water and lies between the line
26 of ordinary high tide and a line paralleling the ordinary high tide
27 line and two hundred feet horizontally landward from the high tide
28 line.

29 (4) (a) The timber management plan must be filed with the county
30 legislative authority either: (~~(a)~~) (i) When an application for
31 classification under this chapter is submitted; (~~(b)~~) (ii) when a
32 sale or transfer of timber land occurs and a notice of continuance is
33 signed; or (~~(c)~~) (iii) within sixty days of the date the application
34 for reclassification under this chapter or from designated forest land
35 is received. The application for reclassification (~~shall~~) must be
36 accepted, but (~~shall~~) may not be processed until the timber
37 management plan is received. If the timber management plan is not

1 received within sixty days of the date the application for
2 reclassification is received, the application for reclassification
3 (~~shall~~) must be denied.

4 (b) If circumstances require it, the county assessor may allow in
5 writing an extension of time for submitting a timber management plan
6 when an application for classification or reclassification or notice of
7 continuance is filed. When the assessor approves an extension of time
8 for filing the timber management plan, the county legislative authority
9 may delay processing an application until the timber management plan is
10 received. If the timber management plan is not received by the date
11 set by the assessor, the application or the notice of continuance
12 (~~shall~~) must be denied.

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

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

24 (e) The granting authority (~~shall~~) must approve or disapprove an
25 application made under this section within six months following the
26 date the application is received.

27 (5) No application may be approved under this section, and land may
28 not otherwise be classified or reclassified under RCW 84.34.020(3), if
29 the timber land classification and designated forest land program are
30 merged under section 5 of this act.

31 **Sec. 8.** RCW 84.34.070 and 1992 c 69 s 10 are each amended to read
32 as follows:

33 (1) When land has once been classified under this chapter, it
34 (~~shall~~) must remain under such classification and (~~shall~~) must not
35 be applied to other use except as provided by subsection (2) of this
36 section for at least ten years from the date of classification (~~and~~
37 ~~shall~~). It must continue under such classification until and unless

1 withdrawn from classification after notice of request for withdrawal
2 (~~shall be~~) is made by the owner. During any year after eight years
3 of the initial ten-year classification period have elapsed, notice of
4 request for withdrawal of all or a portion of the land may be given by
5 the owner to the assessor or assessors of the county or counties in
6 which (~~such~~) the land is situated. (~~In the event that~~) If a
7 portion of a parcel is removed from classification, the remaining
8 portion must meet the same requirements as did the entire parcel when
9 (~~such~~) the land was originally granted classification (~~pursuant to~~)
10 under this chapter unless the remaining parcel has different income
11 criteria. Within seven days the assessor (~~shall~~) must transmit one
12 copy of (~~such~~) the notice to the legislative body (~~which~~) that
13 originally approved the application. The assessor or assessors, as the
14 case may be, (~~shall~~) must, when two assessment years have elapsed
15 following the date of receipt of (~~such~~) the notice, withdraw (~~such~~)
16 the land from (~~such~~) the classification and the land (~~shall be~~) is
17 subject to the additional tax and applicable interest due under RCW
18 84.34.108. Agreement to tax according to use (~~shall~~) is not (~~be~~)
19 considered to be a contract and can be abrogated at any time by the
20 legislature in which event no additional tax or penalty (~~shall~~) may
21 be imposed.

22 (2) (a) The following reclassifications are not considered
23 withdrawals or removals and are not subject to additional tax under RCW
24 84.34.108:

25 (~~(a)~~) (i) Reclassification between lands under RCW 84.34.020 (2)
26 and (3);

27 (~~(b)~~) (ii) Reclassification of land classified under RCW
28 84.34.020 (2) or (3) or designated under chapter 84.33 RCW to open
29 space land under RCW 84.34.020(1);

30 (~~(c)~~) (iii) Reclassification of land classified under RCW
31 84.34.020 (2) or (3) to forest land (~~classified~~) designated under
32 chapter 84.33 RCW; and

33 (~~(d)~~) (iv) Reclassification of land classified as open space land
34 under RCW 84.34.020(1)(c) and reclassified to farm and agricultural
35 land under RCW 84.34.020(2) if the land had been previously classified
36 as farm and agricultural land under RCW 84.34.020(2).

37 (b) Designation as forest land under RCW 84.33.130(1) as a result

1 of a merger adopted under section 5 of this act is not considered a
2 withdrawal or removal and is not subject to additional tax under RCW
3 84.34.108.

4 (c) Any owner of land classified under RCW 84.34.020(3) who has
5 provided the assessor with a notice of request to withdrawal under
6 subsection (1) of this section within two years of the date of merger
7 as described in section 5 of this act, will have their land removed as
8 designated forest land under the provisions of chapter 84.33 RCW when
9 two assessment years have elapsed following the receipt of this notice.

10 (3) Applications for reclassification (~~shall be~~) are subject to
11 applicable provisions of RCW 84.34.037, 84.34.035, 84.34.041, and
12 chapter 84.33 RCW.

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

18 **Sec. 9.** RCW 84.34.330 and 1992 c 52 s 17 are each amended to read
19 as follows:

20 (1) Whenever farm and agricultural land or timber land has once
21 been exempted from special benefit assessments (~~pursuant to~~) under
22 RCW 84.34.320, and except as provided in subsection (2) of this
23 section, any withdrawal or removal from classification or change in use
24 from farm and agricultural land or timber land under chapter 84.34 RCW
25 (~~shall~~) results in the following:

26 (~~(1)~~) (a) If the bonds used to fund the improvement in the local
27 improvement district have not been completely retired, (~~such~~) the
28 land (~~shall~~) immediately becomes liable for: (~~(a)~~) (i) The amount
29 of the special benefit assessment listed in the notice provided for in
30 RCW 84.34.320; plus (~~(b)~~) (ii) interest on the amount determined in
31 (~~(1)~~) (a) (i) of this (~~section~~) subsection (1), compounded annually
32 at a rate equal to the average rate of inflation from the time the
33 initial notice is filed by the governmental entity (~~which~~) that
34 created the local improvement district as provided in RCW 84.34.320 to
35 the time the (~~owner withdraws such land~~) land is withdrawn or removed
36 from the exemption category provided by this chapter (~~(1)~~).

1 ~~((2))~~ (b) If the bonds used to fund the improvement in the local
2 improvement district have been completely retired, ~~((such))~~ the land
3 ~~((shall))~~ immediately becomes liable for: ~~((a))~~ (i) The amount of
4 the special benefit assessment listed in the notice provided for in RCW
5 84.34.320; plus ~~((b))~~ (ii) interest on the amount determined in
6 ~~((2)(a))~~ (b)(i) of this ~~((section))~~ subsection (1) compounded
7 annually at a rate equal to the average rate of inflation from the time
8 the initial notice is filed by the governmental entity ~~((which))~~ that
9 created the local improvement district as provided in RCW 84.34.320, to
10 the time the bonds used to fund the improvement have been retired; plus
11 ~~((e))~~ (iii) interest on the total amount determined in ~~((2)(a))~~
12 (b)(i) and ~~((b))~~ (ii) of this ~~((section))~~ subsection (1) at a simple
13 per annum rate equal to the average rate of inflation from the time the
14 bonds used to fund the improvement have been retired to the time the
15 ~~((owner withdraws such lands))~~ land is withdrawn or removed from the
16 exemption category provided by this chapter.

17 ~~((3))~~ (c) The amount payable ~~((pursuant to))~~ under this section
18 ~~((shall))~~ becomes due on the date ~~((such))~~ the land is withdrawn or
19 removed from its ~~((current use))~~ farm and agricultural land or timber
20 land classification and ~~((shall be))~~ is a lien on the land prior and
21 superior to any other lien whatsoever except for the lien for general
22 taxes, and ~~((shall be))~~ is enforceable in the same manner as the
23 collection of special benefit assessments are enforced by that local
24 government.

25 (2) Designation as forest land under RCW 84.33.130(1) as a result
26 of a merger of programs adopted under section 5 of this act is not
27 considered a withdrawal, removal, or a change in use under this
28 section.

29 **Sec. 10.** RCW 84.34.340 and 1992 c 52 s 18 are each amended to read
30 as follows:

31 (1) Whenever farm and agricultural land or timber land is withdrawn
32 or removed from its current use classification as farm and agricultural
33 land or timber land, except as provided in subsection (2) of this
34 section, the county assessor of the county in which ((such)) the land
35 is located ((shall forthwith)) must give written notice of ((such)) the
36 withdrawal or removal to the local government or its successor ((which
37 had)) that filed with the assessor the notice required by RCW

1 84.34.320. Upon receipt of the notice from the assessor, the local
2 government (~~shall~~) must mail a written statement to the owner of
3 (~~such~~) the land for the amounts payable as provided in RCW 84.34.330.
4 (~~Such~~) The amounts due (~~shall-be~~) are delinquent if not paid within
5 one hundred (~~and~~) eighty days after the date of mailing of the
6 statement, and (~~shall-be~~) are subject to the same interest,
7 penalties, lien priority, and enforcement procedures that are
8 applicable to delinquent assessments on the assessment roll from which
9 that land had been exempted, except that the rate of interest charged
10 (~~shall~~) may not exceed the rate provided in RCW 84.34.330.

11 (2) Designation as forest land under RCW 84.33.130(1) as a result
12 of a merger adopted under section 5 of this act is not considered a
13 withdrawal or removal under this section.

14 **Sec. 11.** RCW 84.34.370 and 1992 c 52 s 20 are each amended to read
15 as follows:

16 (1) Except as provided in subsection (2) of this section, whenever
17 a portion of a parcel of land (~~which~~) that was classified as farm and
18 agricultural or timber land (~~pursuant-to~~) under this chapter is
19 withdrawn or removed from classification or there is a change in use,
20 and (~~such~~) the land has been exempted from any benefit assessments
21 (~~pursuant-to~~) under RCW 84.34.320, the previously exempt benefit
22 assessments (~~shall~~) become due on only that portion of the land
23 (~~which~~) that is withdrawn, removed, or changed.

24 (2) Designation as forest land under RCW 84.33.130(1) as a result
25 of a merger of programs adopted under section 5 of this act is not
26 considered a withdrawal, removal, or a change in use under this
27 section.

Passed by the Senate February 17, 2014.
Passed by the House March 12, 2014.
Approved by the Governor March 28, 2014.
Filed in Office of Secretary of State March 31, 2014.

Frequently Asked Questions

Implementation of SB 6180: Consolidation of the Current Use Timber Land Classification and the Designated Forest Land Program

- Q. What is the impact of the passage of SB 6180 for the Current Use Timber Land (CUTL) classification and the Designated Forest Land (DFL) program?**
- A. This bill allows counties the option of merging their CUTL classification under chapter 84.34 RCW into their DFL program under chapter 84.33 RCW. This bill also made the following changes to the DFL program:
- Reduced the minimum acreage requirement from 20 acres to five acres;
 - Changed the approval due date for DFL applications from May 1 to July 1 of the year following application; and
 - Authorized the assessor to require a timber management plan for DFL, less than 20 acres, if the assessor has reason to believe the land is no longer being used primarily for growing and harvesting timber.
- Q. When does SB 6180 become effective?**
- A. SB 6180 has an effective date of June 12, 2014.
- Q. Does the new five-acre minimum apply to the DFL program only if a county merges their CUTL classification into their DFL program?**
- A. No, the new minimum acreage for the DFL program applies to all DFL, regardless of whether a county chooses to merge their CUTL classification with their DFL program.
- Q. If an owner has land less than 20 acres (not classified as CUTL) and applies for the DFL program, when is the earliest the owner could apply, and if approved, when would the designation be effective?**
- A. The new due date for approval of a DFL program application is July 1 of the year following application. If an owner submitted their completed DFL application on June 12, 2014, the county assessor must approve or deny that application prior to July 1, 2015. If the assessor does not approve or deny the application prior to July 1, 2015, then the application is automatically approved. If approved, the assessed value will be reduced beginning January 1, 2015 for taxes due in 2016. If denied, the applicant may appeal the denial to the county board of equalization. The date the application is denied determines the deadline for the applicant to appeal the denial to the county board of equalization. RCW 84.40.038
- Q. If an owner of land 20 acres or more (not classified as CUTL) applied for the DFL program in 2013, by which date does the assessor have to approve or deny the application?**
- A. The assessor must have approved or denied the application prior to May 1, 2014, because SB 6180 was not effective until June 12, 2014.

Frequently Asked Questions

Implementation of SB 6180: Consolidation of the Current Use Timber Land Classification and the Designated Forest Land Program

Q. When an assessor is auditing the DFL program in his/her county to determine eligibility, can the assessor require a timber management plan from the owner?

A. Yes, but only if the DFL is less than 20 acres and the assessor has reason to believe that the DFL is no longer being used primarily for the growing and harvesting of timber. For all DFL, the assessor can also require a timber management plan when an application for classification or reclassification into the DFL program is submitted or when DFL is sold/transferred and the buyer signs a notice of continuance.

Q. If a county does not merge their CUTL classification into their DFL program, can owners of CUTL apply to reclassify their land into the DFL program?

A. Yes, owners of CUTL can apply to reclassify their land into the DFL program, but they are not required to do so.

Q. If a county has not merged their CUTL classification into their DFL program and a property owner has less than 20 acres of forest land, to which classification should they apply? If they are denied, to whom does the property owner appeal?

A. The property owner chooses which classification to apply:

- If the property owner applies for DFL, they apply to the assessor. If the assessor denies the application for classification, the property owner can appeal to the board of equalization.
- If the property owner applies for timber land, they apply to the county legislative authority. If the county legislative authority denies the application for classification, the property owner can appeal to Superior Court.

Q. If after June 12, 2014, one of these approved applicants removed their under 20-acre parcel, is compensating tax due?

A. If the land is removed under DFL (with no exception to tax), compensating tax is due. If the land is removed under CUTL (with no exception to tax), additional tax, interest, and penalty are due.

Questions Specific to Counties Considering Merging their CUTL Classification into their DFL Program

Q. What steps do the county legislative authority and the assessor need to take if the county wants to merge their CUTL classification into their DFL program?

A. If a county decides it wants to merge their CUTL classification into their DFL program, the county legislative authority must enact an ordinance that:

- Terminates the CUTL classification.
- Declares that CUTL is considered DFL.

Beginning on the adopted merger date, the county assessor must notify each owner of CUTL of the merger by certified mail.

Once the merger occurs, the CUTL classification for the county is terminated and any agreement, such as the Open Space Taxation Agreement, prepared by the granting authority when a CUTL application was approved will no longer be in effect. The county is also required to notify the Department of Revenue (Department) that it merged their CUTL classification into their DFL program.

Frequently Asked Questions

Implementation of SB 6180: Consolidation of the Current Use Timber Land Classification and the Designated Forest Land Program

Q. How should a county notify the Department of a completed merger?

A. The county can mail, email, or fax a copy of the ordinance to the Department at:

Attn: Current Use Specialist
Department of Revenue
PO Box 47471
Olympia, WA 98504-7471
Fax: (360) 534-1380 Email: judyw@dor.wa.gov

Q. How will the public know if a county has merged their CUTL classification into their DFL program?

A. A member of the public can contact the county assessor's office or they can go to the Department's web site at <http://dor.wa.gov/content/FindTaxesAndRates/PropertyTax/>, then select, "Find counties with merged timber land and designated forest land classifications." The Department will maintain the list of counties that have merged their CUTL classification into their DFL program.

Q. Will owners of CUTL be required to complete an application for the DFL program if the county merges their CUTL classification into their DFL program?

A. No, land classified as CUTL is automatically considered DFL on the merger date.

Q. If a county is planning to merge their CUTL classification into their DFL program, how are pending withdrawals handled if an owner submitted a two-year notice?

A. The DFL program does not include a two-year withdrawal provision because there is no penalty (only compensating tax) upon removal from the DFL program. If a two-year withdrawal notice for CUTL is pending, the county assessor should contact the owner, prior to the merger, to discuss the following options:

- Immediate removal from the CUTL classification
- Immediate removal from the DFL program following the merger
- Removing the land from the DFL program once the two-year period has lapsed

The amounts owing upon removal from the CUTL classification and the DFL program will vary. Because the calculations are different, the assessor should calculate the amounts owing for all three options described above, so the owner is aware of potential impacts.

Q. If a county merges their CUTL classification into their DFL program and a property owner requests removal from the DFL program shortly after the merger, would the owner owe compensating tax even though the land had not been in the DFL program for very long?

A. Unless the removal met an exception to compensating tax under [RCW 84.33.140\(13\)](#) or (14), compensating tax would be due. The date the land was classified as CUTL is considered the date the land was in DFL. Below is an example:

- 15 acres of land is approved for the CUTL classification effective January 1, 2002.
- The county in which the classified land is located merges their CUTL classification into their DFL program effective September 1, 2014.
- The owner requests removal of their land and the assessor removes the DFL on June 30, 2015.
- Nine years of compensating tax (plus taxes for the current year) would be due because the land is considered DFL as of January 1, 2002, and not September 1, 2014.

Frequently Asked Questions

Implementation of SB 6180: Consolidation of the Current Use Timber Land Classification and the Designated Forest Land Program

Q. If a county merges their CUTL classification into their DFL program, would the merger be considered a breach of contract of the Open Space Taxation Agreement and allow the owner to request removal from the CUTL classification without the assessor imposing additional tax, interest, and penalty?

A. No, RCW 84.34.070(2)(b), as amended by SB 6180, provides that designation of forest land as a result of the merger does not constitute a "removal" from the CUTL classification; therefore no additional tax, interest, and penalties are due. Moreover, WAC 458-30-355 states that the agreement to tax land according to its current use is not a contract and if changes made to chapter 84.34 RCW by the legislature caused land to be removed from classification, the owner would not be required to pay the additional tax, interest, and penalty. The merging of a county's CUTL classification and DFL program is not considered a "removal" and the merger, by itself, would not cause the land to be removed so unless the removal meets an exception to additional tax, interest, and penalty under RCW 84.34.108(6), the assessor is required to impose the additional tax, interest, and penalty.

Q. If a county merges their CUTL classification into their DFL program, does the assessor still have to keep a dual roll?

A. No, the assessor will no longer be required to keep a dual roll.

Q. If a county merges their CUTL classification into their DFL program, will the assessed (taxable) value of the land change?

A. No, the assessed (taxable) value of the land should not change because CUTL and DFL are both assessed according to WAC 458-40-540.

Q. Does merging the CUTL classification and DFL program affect the tax base for excess levies?

A. Yes, the tax base for excess levies includes the taxable value of real and personal property (local and state assessed), plus timber assessed value (TAV), less boats and full senior citizen exempted value. Since the assessed value of DFL is used in the calculation of TAV, (not the assessed value of CUTL), the merging of these two programs will result in an increased tax base for excess levies. An increased tax base results in a reduced levy rate applied to real and personal property assessed value.

Q. Is the distribution of timber excise tax affected by merging the CUTL classification and DFL program?

A. The distribution process of timber excise tax will remain the same. Timber excise tax is distributed to the taxing districts based on the types of levies they have and the percentage of the county's DFL located within each taxing district.

Merging the CUTL classification and DFL program may change the percentage of DFL in each taxing district, thus the distribution percentage of timber excise tax may change per taxing district within the county.

For more information

If you have questions or need additional information about this topic, contact the Department of Revenue, Property Tax Division at (360) 534-1400. ♦