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**Agriculture & Natural  
Resources Committee**

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**HB 1677**

**Brief Description:** Authorizing a county to exempt certain property used in agriculture from taxation.

**Sponsors:** Representatives Shabro, Newhouse, Bailey, Roach, Bush, Boldt, Chandler, Linville, Quall and McDermott.

**Brief Summary of Bill**

- Provides counties with the discretionary authority to exempt a farmer's machinery and equipment from the county property tax.

**Hearing Date:** 2/19/03

**Staff:** Jason Callahan (786-7117).

**Background:**

All property in Washington is subject to an assessment and taxation for state, county, and other taxing district purposes (RCW 84.36.005). Machinery and equipment that is owned by farmers as personal property is exempt from state property taxes, if the machinery and equipment is used exclusively for growing and producing agricultural products (RCW 84.36.630).

A farmer's personal property is not exempt from the tax levied by a county or other special taxing district. County tax assessments may not exceed \$2.47½ per thousand dollars of assessed value (RCW 84.52.043).

**Summary of Bill:**

Counties have the discretionary authority to exempt a farmer's machinery and equipment from the county property tax. Once personal property is exempted, the county cannot begin taxing the property at a later date.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect ninety days after adjournment of session in which bill is passed.