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**SUBSTITUTE HOUSE BILL 1075**

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**State of Washington                      58th Legislature                      2003 Regular Session**

**By** House Committee on Finance (originally sponsored by  
Representatives Blake, Cairnes and Gombosky)

READ FIRST TIME 01/30/03.

1            AN ACT Relating to multiple incompatible amendments to forest tax  
2 statutes resulting from 2001 statutory changes; reenacting and amending  
3 RCW 84.33.130, 84.33.140, and 84.34.108; creating new sections; and  
4 repealing RCW 84.33.120.

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

6            NEW SECTION.    **Sec. 1.** During the regular session of the 2001  
7 legislature, RCW 84.33.120 was amended by section 3, chapter 185 and by  
8 section 1, chapter 305, and repealed by section 16, chapter 249, each  
9 without reference to the other. The purpose of sections 4 through 7 of  
10 this act is to resolve any uncertainty about the status of RCW  
11 84.33.120 caused by the enactment of three changes involving RCW  
12 84.33.120 during the 2001 regular legislative session.

13            (1) Chapter 249, Laws of 2001 both repealed RCW 84.33.120 and  
14 incorporated pertinent and vital parts of RCW 84.33.120 into RCW  
15 84.33.140. The technical amendments made to RCW 84.33.120 by section  
16 3, chapter 185, Laws of 2001 were also made to RCW 84.33.140 by section  
17 5, chapter 185, Laws of 2001. The amendments made to RCW 84.33.120 by  
18 section 1, chapter 305, Laws of 2001 were also made to RCW 84.33.140 by  
19 section 2, chapter 305, Laws of 2001. Therefore, RCW 84.33.140 as

1 amended during the 2001 regular legislative session embodies the  
2 pertinent and vital parts of RCW 84.33.120 and the 2001 amendments to  
3 RCW 84.33.120.

4 (2) The legislature intends to confirm the repeal of RCW 84.33.120,  
5 including the 2001 regular legislative session amendments to that  
6 section, as of the effective date of chapters 185, 249, and 305, Laws  
7 of 2001.

8 NEW SECTION. **Sec. 2.** During the regular session of the 2001  
9 legislature, RCW 84.33.130 was amended by section 4, chapter 185 and by  
10 section 2, chapter 249, each without reference to the other. The  
11 purpose of section 4 of this act is to reenact and amend RCW 84.33.130  
12 so that it reflects all amendments made by the legislature.

13 NEW SECTION. **Sec. 3.** During the regular session of the 2001  
14 legislature, RCW 84.34.108 was amended by section 7, chapter 185, by  
15 section 14, chapter 249, and by section 3, chapter 305, each without  
16 reference to the other. The purpose of section 6 of this act is to  
17 reenact and amend RCW 84.34.108 so that it reflects all amendments made  
18 by the legislature and to clarify any misunderstanding as to how the  
19 exemption contained in chapter 305, Laws of 2001 is to be applied.

20 **Sec. 4.** RCW 84.33.130 and 2001 c 249 s 2 and 2001 c 185 s 4 are  
21 each reenacted and amended to read as follows:

22 (1) Notwithstanding any other provision of law, lands that were  
23 assessed as classified forest land before July 22, 2001, shall be  
24 designated forest land for the purposes of this chapter. The owners of  
25 previously classified forest land shall not be required to apply for  
26 designation under this chapter. As of July 22, 2001, the land and  
27 timber on such land shall be assessed and taxed in accordance with the  
28 provisions of this chapter.

29 (2) An owner of land desiring that it be designated as forest land  
30 and valued under RCW 84.33.140 as of January 1st of any year shall  
31 submit an application to the assessor of the county in which the land  
32 is located before January 1st of that year. The application shall be  
33 accompanied by a reasonable processing fee when the county legislative  
34 authority has established the requirement for such a fee.

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

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

7 (b) The owner of the land submits a document to the assessor's  
8 office that explains the details of the forest land exchange within  
9 sixty days of the closing date of the exchange. However, if the owner  
10 fails to submit information regarding the exchange by the end of this  
11 sixty-day period, the owner must file an application for designation as  
12 forest land under this chapter and the regular application process will  
13 be followed.

14 (4) The application shall be made upon forms prepared by the  
15 department and supplied by the assessor, and shall include the  
16 following:

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

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

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

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

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

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

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

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

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

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

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

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

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

8 (n) An affirmation that the statements contained in the application  
9 are true and that the land described in the application meets the  
10 definition of forest land in RCW 84.33.035; and

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

14 (5) The assessor shall afford the applicant an opportunity to be  
15 heard if the applicant so requests.

16 (6) The assessor shall act upon the application with due regard to  
17 all relevant evidence and without any one or more items of evidence  
18 necessarily being determinative, except that the application may be  
19 denied for one of the following reasons, without regard to other items:

20 (a) The land does not contain (~~either~~) a "merchantable stand of  
21 timber" as defined in chapter 76.09 RCW and applicable rules. This  
22 reason shall not alone be sufficient to deny the application (i) if the  
23 land has been recently harvested or supports a growth of brush or  
24 noncommercial type timber, and the application includes a plan for  
25 restocking within three years or a longer period necessitated by  
26 unavailability of seed or seedlings, or (ii) if only isolated areas  
27 within the land do not meet the minimum standards due to rock  
28 outcroppings, swamps, unproductive soil or other natural conditions;

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

34 (c) The land abuts a body of salt water and lies between the line  
35 of ordinary high tide and a line paralleling the ordinary high tide  
36 line and two hundred feet horizontally landward from the high tide  
37 line. However, if the assessor determines that a higher and better use  
38 exists for the land but this use would not be permitted or economically

1 feasible by virtue of any federal, state, or local law or regulation,  
2 the land shall be assessed and valued under RCW 84.33.140 without being  
3 designated as forest land.

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

8 (8) An owner who receives notice that his or her application has  
9 been denied, in whole or in part, may appeal the denial to the county  
10 board of equalization in accordance with the provisions of RCW  
11 84.40.038.

12 **Sec. 5.** RCW 84.33.140 and 2001 c 305 s 2, 2001 c 249 s 3, and 2001  
13 c 185 s 5 are each reenacted and amended to read as follows:

14 (1) When land has been designated as forest land under RCW  
15 84.33.130, a notation of the designation shall be made each year upon  
16 the assessment and tax rolls. A copy of the notice of approval  
17 together with the legal description or assessor's parcel numbers for  
18 the land shall, at the expense of the applicant, be filed by the  
19 assessor in the same manner as deeds are recorded.

20 (2) In preparing the assessment roll as of January 1, 2002, for  
21 taxes payable in 2003 and each January 1st thereafter, the assessor  
22 shall list each parcel of designated forest land at a value with  
23 respect to the grade and class provided in this subsection and adjusted  
24 as provided in subsection (3) of this section. The assessor shall  
25 compute the assessed value of the land using the same assessment ratio  
26 applied generally in computing the assessed value of other property in  
27 the county. Values for the several grades of bare forest land shall be  
28 as follows:

29	LAND	OPERABILITY	VALUES
30	GRADE	CLASS	PER ACRE
31		1	\$234
32	1	2	229
33		3	217
34		4	157
35		1	198

1		2	2	190
2			3	183
3			4	132
4			1	154
5		3	2	149
6			3	148
7			4	113
8			1	117
9		4	2	114
10			3	113
11			4	86
12			1	85
13		5	2	78
14			3	77
15			4	52
16			1	43
17		6	2	39
18			3	39
19			4	37
20			1	21
21		7	2	21
22			3	20
23			4	20
24		8		1

25 (3) On or before December 31, 2001, the department shall adjust by  
26 rule under chapter 34.05 RCW, the forest land values contained in  
27 subsection (2) of this section in accordance with this subsection, and  
28 shall certify the adjusted values to the assessor who will use these  
29 values in preparing the assessment roll as of January 1, 2002. For the  
30 adjustment to be made on or before December 31, 2001, for use in the  
31 2002 assessment year, the department shall:

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

36 (b) Divide the aggregate value of all timber harvested within the  
37 state between July 1, 1995, and June 30, 2000, by the aggregate harvest

1 volume for the same period, as determined from the harvester excise tax  
2 returns filed with the department under RCW 84.33.074; and

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

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

14 (5) Land graded, assessed, and valued as forest land shall continue  
15 to be so graded, assessed, and valued until removal of designation by  
16 the assessor upon the occurrence of any of the following:

17 (a) Receipt of notice from the owner to remove the designation;

18 (b) Sale or transfer to an ownership making the land exempt from ad  
19 valorem taxation;

20 (c) Sale or transfer of all or a portion of the land to a new  
21 owner, unless the new owner has signed a notice of forest land  
22 designation continuance, except transfer to an owner who is an heir or  
23 devisee of a deceased owner, shall not, by itself, result in removal of  
24 designation. The signed notice of continuance shall be attached to the  
25 real estate excise tax affidavit provided for in RCW 82.45.150. The  
26 notice of continuance shall be on a form prepared by the department.  
27 If the notice of continuance is not signed by the new owner and  
28 attached to the real estate excise tax affidavit, all compensating  
29 taxes calculated under subsection (11) of this section shall become due  
30 and payable by the seller or transferor at time of sale. The auditor  
31 shall not accept an instrument of conveyance ((~~of~~)) regarding  
32 designated forest land for filing or recording unless the new owner has  
33 signed the notice of continuance or the compensating tax has been paid,  
34 as evidenced by the real estate excise tax stamp affixed thereto by the  
35 treasurer. The seller, transferor, or new owner may appeal the new  
36 assessed valuation calculated under subsection (11) of this section to  
37 the county board of equalization in accordance with the provisions of

1 RCW 84.40.038. Jurisdiction is hereby conferred on the county board of  
2 equalization to hear these appeals;

3 (d) Determination by the assessor, after giving the owner written  
4 notice and an opportunity to be heard, that:

5 (i) The land is no longer primarily devoted to and used for growing  
6 and harvesting timber. However, land shall not be removed from  
7 designation if a governmental agency, organization, or other recipient  
8 identified in subsection (13) or (14) of this section as exempt from  
9 the payment of compensating tax has manifested its intent in writing or  
10 by other official action to acquire a property interest in the  
11 designated forest land by means of a transaction that qualifies for an  
12 exemption under subsection (13) or (14) of this section. The  
13 governmental agency, organization, or recipient shall annually provide  
14 the assessor of the county in which the land is located reasonable  
15 evidence in writing of the intent to acquire the designated land as  
16 long as the intent continues or within sixty days of a request by the  
17 assessor. The assessor may not request this evidence more than once in  
18 a calendar year;

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

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

26 (6) Land shall not be removed from designation if there is a  
27 governmental restriction that prohibits, in whole or in part, the owner  
28 from harvesting ((~~of~~)) timber from the owner's designated forest land.  
29 If only a portion of the parcel is impacted by governmental  
30 restrictions of this nature, the restrictions cannot be used as a basis  
31 to remove the remainder of the forest land from designation under this  
32 chapter. For the purposes of this section, "governmental restrictions"  
33 includes: (a) Any law, regulation, rule, ordinance, program, or other  
34 action adopted or taken by a federal, state, county, city, or other  
35 governmental entity; or (b) the land's zoning or its presence within an  
36 urban growth area designated under RCW 36.70A.110.

37 (7) The assessor shall have the option of requiring an owner of



1 forest land to file a timber management plan with the assessor upon the  
2 occurrence of one of the following:

3 (a) An application for designation as forest land is submitted; or

4 (b) Designated forest land is sold or transferred and a notice of  
5 continuance, described in subsection (5)(c) of this section, is signed.

6 (8) If land is removed from designation because of any of the  
7 circumstances listed in subsection (5)(a) through (c) of this section,  
8 the removal shall apply only to the land affected. If land is removed  
9 from designation because of subsection (5)(d) of this section, the  
10 removal shall apply only to the actual area of land that is no longer  
11 primarily devoted to the growing and harvesting of timber, without  
12 regard to any other land that may have been included in the application  
13 and approved for designation, as long as the remaining designated  
14 forest land meets the definition of forest land contained in RCW  
15 84.33.035.

16 (9) Within thirty days after the removal of designation as forest  
17 land, the assessor shall notify the owner in writing, setting forth the  
18 reasons for the removal. The seller, transferor, or owner may appeal  
19 the removal to the county board of equalization in accordance with the  
20 provisions of RCW 84.40.038.

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

35 (11) Except as provided in subsection (5)(c), (13), or (14) of this  
36 section, a compensating tax shall be imposed on land removed from  
37 designation as forest land. The compensating tax shall be due and  
38 payable to the treasurer thirty days after the owner is notified of the

1 amount of this tax. As soon as possible after the land is removed from  
2 designation, the assessor shall compute the amount of compensating tax  
3 and mail a notice to the owner of the amount of compensating tax owed  
4 and the date on which payment of this tax is due. The amount of  
5 compensating tax shall be equal to the difference between the amount of  
6 tax last levied on the land as designated forest land and an amount  
7 equal to the new assessed value of the land multiplied by the dollar  
8 rate of the last levy extended against the land, multiplied by a  
9 number, in no event greater than nine, equal to the number of years for  
10 which the land was designated as forest land, plus compensating taxes  
11 on the land at forest land values up until the date of removal and the  
12 prorated taxes on the land at true and fair value from the date of  
13 removal to the end of the current tax year.

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

26 (13) The compensating tax specified in subsection (11) of this  
27 section shall not be imposed if the removal of designation under  
28 subsection (5) of this section resulted solely from:

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

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

34 (c) A donation of fee title, development rights, or the right to  
35 harvest timber, to a government agency or organization qualified under  
36 RCW 84.34.210 and 64.04.130 for the purposes enumerated in those  
37 sections, or the sale or transfer of fee title to a governmental entity  
38 or a nonprofit nature conservancy corporation, as defined in RCW

1 64.04.130, exclusively for the protection and conservation of lands  
2 recommended for state natural area preserve purposes by the natural  
3 heritage council and natural heritage plan as defined in chapter 79.70  
4 RCW. At such time as the land is not used for the purposes enumerated,  
5 the compensating tax specified in subsection (11) of this section shall  
6 be imposed upon the current owner;

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

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

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

14 (g) The creation, sale, or transfer of a fee interest or a  
15 conservation easement for the riparian open space program under RCW  
16 76.09.040;

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

24 (i) The sale or transfer of land after the death of the owner of at  
25 least a fifty percent interest in the land if the land has been  
26 assessed and valued as classified forest land, designated as forest  
27 land under this chapter, or classified under chapter 84.34 RCW  
28 continuously since 1993 and the sale or transfer takes place (~~within~~  
29 ~~two years~~) after July 22, 2001, and on or before July 22, 2003, and  
30 the death of the owner occurred after January 1, 1991(~~or~~

31 ~~(j) The date of death shown on a death certificate is the date used~~  
32 ~~for the purpose of this subsection (13)).~~ The date of death shown on  
33 a death certificate is the date used for the purposes of this  
34 subsection (13)(i).

35 (14) In a county with a population of more than one million  
36 inhabitants, the compensating tax specified in subsection (11) of this  
37 section shall not be imposed if the removal of designation as forest  
38 land under subsection (5) of this section resulted solely from:

- 1 (a) An action described in subsection (13) of this section; or
- 2 (b) A transfer of a property interest to a government entity, or to
- 3 a nonprofit historic preservation corporation or nonprofit nature
- 4 conservancy corporation, as defined in RCW 64.04.130, to protect or
- 5 enhance public resources, or to preserve, maintain, improve, restore,
- 6 limit the future use of, or otherwise to conserve for public use or
- 7 enjoyment, the property interest being transferred. At such time as
- 8 the property interest is not used for the purposes enumerated, the
- 9 compensating tax shall be imposed upon the current owner.

10 **Sec. 6.** RCW 84.34.108 and 2001 c 305 s 3, 2001 c 249 s 14, and  
11 2001 c 185 s 7 are each reenacted and amended to read as follows:

12 (1) When land has once been classified under this chapter, a  
13 notation of the classification shall be made each year upon the  
14 assessment and tax rolls and the land shall be valued pursuant to RCW  
15 84.34.060 or 84.34.065 until removal of all or a portion of the  
16 classification by the assessor upon occurrence of any of the following:

17 (a) Receipt of notice from the owner to remove all or a portion of  
18 the classification;

19 (b) Sale or transfer to an ownership, except a transfer that  
20 resulted from a default in loan payments made to or secured by a  
21 governmental agency that intends to or is required by law or regulation  
22 to resell the property for the same use as before, making all or a  
23 portion of the land exempt from ad valorem taxation;

24 (c) Sale or transfer of all or a portion of the land to a new  
25 owner, unless the new owner has signed a notice of classification  
26 continuance, except transfer to an owner who is an heir or devisee of  
27 a deceased owner shall not, by itself, result in removal of  
28 classification. The notice of continuance shall be on a form prepared  
29 by the department. If the notice of continuance is not signed by the  
30 new owner and attached to the real estate excise tax affidavit, all  
31 additional taxes calculated pursuant to subsection (4) of this section  
32 shall become due and payable by the seller or transferor at time of  
33 sale. The auditor shall not accept an instrument of conveyance ((of))  
34 regarding classified land for filing or recording unless the new owner  
35 has signed the notice of continuance or the additional tax has been  
36 paid, as evidenced by the real estate excise tax stamp affixed thereto  
37 by the treasurer. The seller, transferor, or new owner may appeal the

1 new assessed valuation calculated under subsection (4) of this section  
2 to the county board of equalization in accordance with the provisions  
3 of RCW 84.40.038. Jurisdiction is hereby conferred on the county board  
4 of equalization to hear these appeals;

5 (d) Determination by the assessor, after giving the owner written  
6 notice and an opportunity to be heard, that all or a portion of the  
7 land no longer meets the criteria for classification under this  
8 chapter. The criteria for classification pursuant to this chapter  
9 continue to apply after classification has been granted.

10 The granting authority, upon request of an assessor, shall provide  
11 reasonable assistance to the assessor in making a determination whether  
12 the land continues to meet the qualifications of RCW 84.34.020 (1) or  
13 (3). The assistance shall be provided within thirty days of receipt of  
14 the request.

15 (2) Land may not be removed from classification because of:

16 (a) The creation, sale, or transfer of forestry riparian easements  
17 under RCW 76.13.120; or

18 (b) The creation, sale, or transfer of a fee interest or a  
19 conservation easement for the riparian open space program under RCW  
20 76.09.040.

21 (3) Within thirty days after such removal of all or a portion of  
22 the land from current use classification, the assessor shall notify the  
23 owner in writing, setting forth the reasons for the removal. The  
24 seller, transferor, or owner may appeal the removal to the county board  
25 of equalization in accordance with the provisions of RCW 84.40.038.

26 (4) Unless the removal is reversed on appeal, the assessor shall  
27 revalue the affected land with reference to its true and fair value on  
28 January 1st of the year of removal from classification. Both the  
29 assessed valuation before and after the removal of classification shall  
30 be listed and taxes shall be allocated according to that part of the  
31 year to which each assessed valuation applies. Except as provided in  
32 subsection (6) of this section, an additional tax, applicable interest,  
33 and penalty shall be imposed which shall be due and payable to the  
34 treasurer thirty days after the owner is notified of the amount of the  
35 additional tax. As soon as possible, the assessor shall compute the  
36 amount of additional tax, applicable interest, and penalty and the  
37 treasurer shall mail notice to the owner of the amount thereof and the

1 date on which payment is due. The amount of the additional tax,  
2 applicable interest, and penalty shall be determined as follows:

3 (a) The amount of additional tax shall be equal to the difference  
4 between the property tax paid as "open space land", "farm and  
5 agricultural land", or "timber land" and the amount of property tax  
6 otherwise due and payable for the seven years last past had the land  
7 not been so classified;

8 (b) The amount of applicable interest shall be equal to the  
9 interest upon the amounts of the additional tax paid at the same  
10 statutory rate charged on delinquent property taxes from the dates on  
11 which the additional tax could have been paid without penalty if the  
12 land had been assessed at a value without regard to this chapter;

13 (c) The amount of the penalty shall be as provided in RCW  
14 84.34.080. The penalty shall not be imposed if the removal satisfies  
15 the conditions of RCW 84.34.070.

16 (5) Additional tax, applicable interest, and penalty, shall become  
17 a lien on the land which shall attach at the time the land is removed  
18 from classification under this chapter and shall have priority to and  
19 shall be fully paid and satisfied before any recognizance, mortgage,  
20 judgment, debt, obligation or responsibility to or with which the land  
21 may become charged or liable. This lien may be foreclosed upon  
22 expiration of the same period after delinquency and in the same manner  
23 provided by law for foreclosure of liens for delinquent real property  
24 taxes as provided in RCW 84.64.050 now or as hereafter amended. Any  
25 additional tax unpaid on its due date shall thereupon become  
26 delinquent. From the date of delinquency until paid, interest shall be  
27 charged at the same rate applied by law to delinquent ad valorem  
28 property taxes.

29 (6) The additional tax, applicable interest, and penalty specified  
30 in subsection (4) of this section shall not be imposed if the removal  
31 of classification pursuant to subsection (1) of this section resulted  
32 solely from:

33 (a) Transfer to a government entity in exchange for other land  
34 located within the state of Washington;

35 (b)(i) A taking through the exercise of the power of eminent  
36 domain, or (ii) sale or transfer to an entity having the power of  
37 eminent domain in anticipation of the exercise of such power, said

1 entity having manifested its intent in writing or by other official  
2 action;

3 (c) A natural disaster such as a flood, windstorm, earthquake, or  
4 other such calamity rather than by virtue of the act of the landowner  
5 changing the use of the property;

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

9 (e) Transfer of land to a church when the land would qualify for  
10 exemption pursuant to RCW 84.36.020;

11 (f) Acquisition of property interests by state agencies or agencies  
12 or organizations qualified under RCW 84.34.210 and 64.04.130 for the  
13 purposes enumerated in those sections. At such time as these property  
14 interests are not used for the purposes enumerated in RCW 84.34.210 and  
15 64.04.130 the additional tax specified in subsection (4) of this  
16 section shall be imposed;

17 (g) Removal of land classified as farm and agricultural land under  
18 RCW 84.34.020(2)(e);

19 (h) Removal of land from classification after enactment of a  
20 statutory exemption that qualifies the land for exemption and receipt  
21 of notice from the owner to remove the land from classification;

22 (i) The creation, sale, or transfer of forestry riparian easements  
23 under RCW 76.13.120;

24 (j) The creation, sale, or transfer of a fee interest or a  
25 conservation easement for the riparian open space program under RCW  
26 76.09.040;

27 (k) The sale or transfer of land within two years after the death  
28 of the owner of at least a fifty percent interest in the land if the  
29 land has been assessed and valued as classified forest land, designated  
30 as forest land under chapter 84.33 RCW, or classified under this  
31 chapter continuously since 1993. The date of death shown on a death  
32 certificate is the date used for the purposes of this subsection  
33 (6)(k); or

34 (l) The sale or transfer of land after the death of the owner of at  
35 least a fifty percent interest in the land if the land has been  
36 assessed and valued as classified forest land, designated as forest  
37 land under chapter 84.33 RCW, or classified under this chapter

1 continuously since 1993 and the sale or transfer takes place ((within  
2 ~~two years~~)) after July 22, 2001, and on or before July 22, 2003, and  
3 the death of the owner occurred after January 1, 1991(~~(+ or~~  
4 ~~(-)~~)). The date of death shown on a death certificate is the date  
5 used for the purpose of this subsection (6)(1).

6 NEW SECTION. Sec. 7. RCW 84.33.120 (Forest land valuation--  
7 Assessor to list forest land at grade and class values--Computation of  
8 assessed value--Adjustment of values--Certification--Use--Notice of  
9 continuance--Appeals--Removal of classification--Compensating tax) and  
10 2001 c 305 s 1, 2001 c 185 s 3, 1999 sp.s. c 4 s 702, 1999 c 233 s 20,  
11 1997 c 299 s 1, 1995 c 330 s 1, 1992 c 69 s 1, 1986 c 238 s 1, 1984 c  
12 204 s 23, 1981 c 148 s 7, 1980 c 134 s 2, 1974 ex.s. c 187 s 5, 1972  
13 ex.s. c 148 s 5, & 1971 ex.s. c 294 s 12 are each repealed.

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