
SENATE BILL 5814

State of Washington

62nd Legislature

2011 Regular Session

By Senators Fraser, Honeyford, Shin, Swecker, Haugen, and King

Read first time 02/16/11. Referred to Committee on Agriculture & Rural Economic Development.

1 AN ACT Relating to extending current use valuation to the
2 residential property of small farms that is integral to the use of
3 classified land for agricultural purposes; amending RCW 84.34.020; and
4 creating new sections.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that small farms play
7 a significant role in the commercial agricultural activities throughout
8 the state by creating jobs, increasing food security, and working in
9 partnership with farmers markets to create economic vitality in our
10 communities. Therefore, the legislature concludes that small farms
11 engaged in significant commercial agricultural activities should have
12 similar current use valuation benefits as larger farms. Thus, this act
13 provides that farms under twenty acres meeting certain income
14 requirements are eligible for current use valuation of the land
15 underlying the residential structures.

16 **Sec. 2.** RCW 84.34.020 and 2010 c 106 s 304 are each amended to
17 read as follows:

1 As used in this chapter, unless a different meaning is required by
2 the context:

3 (1) "Open space land" means (a) any land area so designated by an
4 official comprehensive land use plan adopted by any city or county and
5 zoned accordingly, or (b) any land area, the preservation of which in
6 its present use would (i) conserve and enhance natural or scenic
7 resources, or (ii) protect streams or water supply, or (iii) promote
8 conservation of soils, wetlands, beaches or tidal marshes, or (iv)
9 enhance the value to the public of abutting or neighboring parks,
10 forests, wildlife preserves, nature reservations or sanctuaries or
11 other open space, or (v) enhance recreation opportunities, or (vi)
12 preserve historic sites, or (vii) preserve visual quality along
13 highway, road, and street corridors or scenic vistas, or (viii) retain
14 in its natural state tracts of land not less than one acre situated in
15 an urban area and open to public use on such conditions as may be
16 reasonably required by the legislative body granting the open space
17 classification, or (c) any land meeting the definition of farm and
18 agricultural conservation land under subsection (8) of this section.
19 As a condition of granting open space classification, the legislative
20 body may not require public access on land classified under (b)(iii) of
21 this subsection for the purpose of promoting conservation of wetlands.

22 (2) "Farm and agricultural land" means:

23 (a) Any parcel of land that is twenty or more acres or multiple
24 parcels of land that are contiguous and total twenty or more acres:

25 (i) Devoted primarily to the production of livestock or
26 agricultural commodities for commercial purposes;

27 (ii) Enrolled in the federal conservation reserve program or its
28 successor administered by the United States department of agriculture;
29 or

30 (iii) Other similar commercial activities as may be established by
31 rule;

32 (b)(i) Any parcel of land that is five acres or more but less than
33 twenty acres devoted primarily to agricultural uses, which has produced
34 a gross income from agricultural uses equivalent to, as of January 1,
35 1993:

36 (A) One hundred dollars or more per acre per year for three of the
37 five calendar years preceding the date of application for
38 classification under this chapter for all parcels of land that are

1 classified under this subsection or all parcels of land for which an
2 application for classification under this subsection is made with the
3 granting authority prior to January 1, 1993; and

4 (B) On or after January 1, 1993, two hundred dollars or more per
5 acre per year for three of the five calendar years preceding the date
6 of application for classification under this chapter;

7 (ii) For the purposes of (b)(i) of this subsection, "gross income
8 from agricultural uses" includes, but is not limited to, the wholesale
9 value of agricultural products donated to nonprofit food banks or
10 feeding programs;

11 (c) Any parcel of land of less than five acres devoted primarily to
12 agricultural uses which has produced a gross income as of January 1,
13 1993, of:

14 (i) One thousand dollars or more per year for three of the five
15 calendar years preceding the date of application for classification
16 under this chapter for all parcels of land that are classified under
17 this subsection or all parcels of land for which an application for
18 classification under this subsection is made with the granting
19 authority prior to January 1, 1993; and

20 (ii) On or after January 1, 1993, fifteen hundred dollars or more
21 per year for three of the five calendar years preceding the date of
22 application for classification under this chapter. Parcels of land
23 described in (b)(i)(A) and (c)(i) of this subsection will, upon any
24 transfer of the property excluding a transfer to a surviving spouse or
25 surviving state registered domestic partner, be subject to the limits
26 of (b)(i)(B) and (c)(ii) of this subsection;

27 (d) Any parcel of land that is five acres or more but less than
28 twenty acres devoted primarily to agricultural uses, which meet one of
29 the following criteria:

30 (i) Has produced a gross income from agricultural uses equivalent
31 to two hundred dollars or more per acre per year for three of the five
32 calendar years preceding the date of application for classification
33 under this chapter;

34 (ii) Has standing crops with an expectation of harvest within seven
35 years, except as provided in (d)(iii) of this subsection, and a
36 demonstrable investment in the production of those crops equivalent to
37 one hundred dollars or more per acre in the current or previous
38 calendar year. For the purposes of this subsection (2)(d)(ii),

1 "standing crop" means Christmas trees, vineyards, fruit trees, or other
2 perennial crops that: (A) Are planted using agricultural methods
3 normally used in the commercial production of that particular crop; and
4 (B) typically do not produce harvestable quantities in the initial
5 years after planting; or

6 (iii) Has a standing crop of short rotation hardwoods with an
7 expectation of harvest within fifteen years and a demonstrable
8 investment in the production of those crops equivalent to one hundred
9 dollars or more per acre in the current or previous calendar year;

10 (e) Any lands including incidental uses as are compatible with
11 agricultural purposes, including wetlands preservation, provided such
12 incidental use does not exceed twenty percent of the classified land
13 and the land on which appurtenances necessary to the production,
14 preparation, or sale of the agricultural products exist in conjunction
15 with the lands producing such products. Agricultural lands shall also
16 include any parcel of land of one to five acres, which is not
17 contiguous, but which otherwise constitutes an integral part of farming
18 operations being conducted on land qualifying under this section as
19 "farm and agricultural lands";

20 (f) The land on which housing for employees and the principal place
21 of residence of the farm operator or owner of land classified pursuant
22 to (a) of this subsection is sited if: The housing or residence is on
23 or contiguous to the classified parcel; and the use of the housing or
24 the residence is integral to the use of the classified land for
25 agricultural purposes; ((or))

26 (g) The land on which housing for employees and the principal place
27 of residence of the farm operator or owner of land classified pursuant
28 to (b) and (c) of this subsection is sited if the following conditions
29 are met:

30 (i) The housing or residence is on or contiguous to the classified
31 parcel;

32 (ii) The use of the housing or the residence is integral to the use
33 of the classified land for agricultural purposes. For the purposes of
34 this subsection, "integral" means that which is central to or inherent
35 in the use or operation of classified farm and agricultural land for
36 commercial agricultural purposes; and

37 (iii) The annual gross income from farming or agricultural

1 activities for three of the five calendar years preceding the date of
2 application for classification under this chapter; and

3 (iv) The classified land has produced an annual gross income under
4 (b) or (c) of this subsection derived exclusively from the following
5 products: Horticultural products; floricultural products; plant
6 cultivation products; viticultural products; fruit and vegetable
7 products, including orchard products; and poultry and egg products; or

8 (h) Any land that is used primarily for equestrian related
9 activities for which a charge is made, including, but not limited to,
10 stabling, training, riding, clinics, schooling, shows, or grazing for
11 feed and that otherwise meet the requirements of (a), (b), or (c) of
12 this subsection.

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

23 (4) "Current" or "currently" means as of the date on which property
24 is to be listed and valued by the assessor.

25 (5) "Owner" means the party or parties having the fee interest in
26 land, except that where land is subject to real estate contract "owner"
27 means the contract vendee.

28 (6) "Contiguous" means land adjoining and touching other property
29 held by the same ownership. Land divided by a public road, but
30 otherwise an integral part of a farming operation, is considered
31 contiguous.

32 (7) "Granting authority" means the appropriate agency or official
33 who acts on an application for classification of land pursuant to this
34 chapter.

35 (8) "Farm and agricultural conservation land" means either:

36 (a) Land that was previously classified under subsection (2) of
37 this section, that no longer meets the criteria of subsection (2) of

1 this section, and that is reclassified under subsection (1) of this
2 section; or

3 (b) Land that is traditional farmland that is not classified under
4 chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a
5 use inconsistent with agricultural uses, and that has a high potential
6 for returning to commercial agriculture.

7 NEW SECTION. **Sec. 3.** This act applies to taxes levied for
8 collection in 2012 and thereafter.

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