
HOUSE BILL 2009

State of Washington 69th Legislature 2025 Regular Session

By Representatives Salahuddin, Walen, and Parshley

Read first time 02/20/25. Referred to Committee on Finance.

1 AN ACT Relating to clarifying the calculation of the real estate
2 excise tax for the transfer of a controlling interest in an entity
3 holding real property; amending RCW 82.45.030; and providing an
4 effective date.

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

6 **Sec. 1.** RCW 82.45.030 and 2011 c 58 s 15 are each amended to
7 read as follows:

8 (1) As used in this chapter, the term "selling price" means the
9 true and fair value of the property conveyed. If property has been
10 conveyed in an arm's length transaction between unrelated persons for
11 a valuable consideration, a rebuttable presumption exists that the
12 selling price is equal to the total consideration paid or contracted
13 to be paid to the transferor, or to another for the transferor's
14 benefit.

15 (2) If the sale is a transfer of a controlling interest in an
16 entity with an interest in real property located in this state, the
17 selling price shall be the true and fair value of the real property
18 owned by the entity and located in this state, multiplied by the
19 percentage of the controlling interest being transferred. If the true
20 and fair value of the real property located in this state cannot

1 reasonably be determined, the selling price shall be determined
2 according to subsection (4) of this section.

3 (3) As used in this section, "total consideration paid or
4 contracted to be paid" includes money or anything of value, paid or
5 delivered or contracted to be paid or delivered in return for the
6 sale, and shall include the amount of any lien, mortgage, contract
7 indebtedness, or other incumbrance, either given to secure the
8 purchase price, or any part thereof, or remaining unpaid on such
9 property at the time of sale.

10 Total consideration shall not include the amount of any
11 outstanding lien or incumbrance in favor of the United States, the
12 state, or a municipal corporation for taxes, special benefits, or
13 improvements.

14 When a transfer or conveyance is made by deed in lieu of
15 foreclosure to satisfy a deed of trust, total consideration shall not
16 include the amount of any relocation assistance provided to the
17 transferor.

18 (4) If the total consideration for the sale cannot be ascertained
19 or the true and fair value of the property to be valued at the time
20 of the sale cannot reasonably be determined, the market value
21 assessment for the property maintained on the county property tax
22 rolls at the time of the sale shall be used as the selling price.

23 NEW SECTION. **Sec. 2.** This act takes effect August 1, 2025.

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