

*Frequently Asked Questions*

**Implementation of ESHB 1287: Subjecting federally recognized Indian tribes to the same conditions as state and local governments for property owned exclusively by the tribe**

**Annual Survey and Data Collection for the JLARC report**

**1. Why is an annual survey required?**

A. The tax preference performance statement, located in section 1 of ESHB 1287, categorizes the tax preference for the economic development properties as one intended to create jobs and improve the economic health of tribal communities. As a result, an annual survey is required per [RCW 82.32.808](#).

**2. Who is required to complete the annual survey?**

A. Tribes that receive a property tax exemption for their economic development properties are required to file an annual survey.

Tribes are not required to file a survey for properties that receive exemption for property used for other (non-economic development) essential government services.

If a tribe has both economic development property and non-economic development property exemptions, a survey is required only for the properties that received the economic development exemption.

**3. How will the Department administer the annual survey?**

A. In order to file an annual survey, the survey must have an account number assigned to it. For each tribe, the Department will create a separate branch account specifically for the filing of the annual survey. This allows the Department to send all future annual survey notices and correspondence to the correct recipient for each tribe and will keep the annual survey separate from other tribal activity.

**4. When is the annual survey due?**

A. The annual survey is due by April 30th of the year following the calendar year in which the tribe receives the exemption. Because the exemption for economic development property is available beginning for property taxes levied in 2015, the first annual survey will be due April 30, 2016.

**5. What information and data must I provide when I complete the annual survey?**

A. The Joint Legislative Audit & Review Committee (JLARC) and the Department will continue to collaborate to develop questions for the annual survey so that JLARC may compile their report on the economic impact study as required in section 11 of ESHB 1287.

**6. If I must provide confidential tax information when completing the annual survey, how will the Department of Revenue and JLARC protect my confidential information from public disclosure?**

A. As provided in RCW [82.32.585](#)(4), all information collected for the survey, except for the actual amount of tax savings or reduction received as a result of the tax preference, is deemed taxpayer information under RCW [82.32.330](#) and is not subject to disclosure.

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The actual amount of tax reduction or savings is not subject to the confidentiality provisions of RCW 82.32.330 and will be disclosed to the public unless the actual amount of the tax reduced or saved is less than ten thousand dollars during the period covered by the survey.

If the total incentive savings amount is ten thousand dollars or more, the incentive savings amount will be publically disclosed on the Department's website next to the tribal entity's name and branch account number.

Per RCW 82.32.585(5), if the incentive amount is less than ten thousand dollars, the tribe may request the Department to treat the amount of the tax reduction or savings as confidential.

### **7. What safeguards are in place to protect my confidential information? What measures will the Department take to protect information and data from public disclosure?**

A. The Department is bound by RCW 82.32.330, which prohibits disclosure of confidential tax information about a specific taxpayer to unauthorized individuals. Some examples of the Department's safeguards to protect confidential information include:

- Every employee at the Department must sign a Secrecy Clause Affidavit
  - This binds each employee to RCW 82.32.330 and acknowledges that each employee actively works to protect the confidentiality of taxpayer records
- Mandatory training on confidential information
- Strong layers of network security protect all of the Department's electronic records. Some of the security systems include:
  - Authentication
  - Monitoring
  - Auditing
  - Encryption
- Security measures are incorporated into the design, implementation, and day-to-day practices of the entire Department operating environment as part of its continuing commitment to risk management
- The Department has a vested interest in maintaining taxpayer confidence

If there are any areas of concern about the security of the confidential information, the Department will work with the tribes to address the issues. For additional information, please see our [Privacy Statement](#).

### **8. Will notification be sent to a tribe if it is required to complete an annual survey?**

A. Yes. If a tribe is required to file an annual survey, the Department will send multiple notifications before the survey is due. Historically, the Department sends first notifications in early March, with the last notification sent around the third week in April. In addition, the Department may make phone calls to those who have not filed by the last week in April.

### **9. Can I request a filing extension for the annual survey?**

A. Yes. If additional time is needed to complete the annual survey, you may contact the Department on or before the annual survey's due date (April 30th) and request a filing extension.

If the Department receives an extension request after the annual survey's due date, only two types of extensions may be granted:

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- A one-time 90-day extension
  - The one-time extension may only be granted once and only if all other surveys have been timely filed. The request for extension and survey must be received by the Department before July 30<sup>th</sup> of the year in which the survey is due. A request for extension must be made in writing.
- An extension based on extenuating circumstances. See WAC [458-20-228\(9\)\(a\)](#) for more information on what is considered an extenuating circumstance.

**Department of Revenue contacts for more information:**

**For information on Property tax exemptions** for tribal property used for essential government services, contact the Property Tax Division at (360) 534-1400.

**For more information about leasehold excise tax** applicability to leasehold interests of tribally owned property, contact the Special Programs Division at (360) 534-1502, Option 4.