This form must be submitted with the Real Estate Excise Tax Affidavit (FORM REV 84 0001A) for deeded transfers and Form REV 84 0001B for controlling interest transfers for claims of tax exemption as provided below. Completion of this form is required for the types of real property transfers listed in numbers 1-3 below. Only the first page of this form needs original signatures.

AUDIT: Information you provide on this form is subject to audit by the Department of Revenue. In the event of an audit, it is the taxpayers’ responsibility to provide documentation to support the selling price or any exemption claimed. This documentation must be maintained for a minimum of four years from date of sale. (RCW 82.65.100) Failure to provide supporting documentation when requested may result in the assessment of tax, penalties, and interest. Any filing that is determined to be fraudulent will carry a 50% evasion penalty in addition to any other accrued penalties or interest when the tax is assessed.

PERJURY: Perjury is a class C felony which is punishable by imprisonment in a state correctional institution for a maximum term of not more than five years, or by a fine in an amount fixed by the court of not more than five thousand dollars ($5,000.00), or by both imprisonment and fine (RCW 9A.20.020 (1C)).

The persons signing below do hereby declare under penalty of perjury that the following is true (check appropriate statement):

1. ☐ DATE OF SALE: (WAC 458-61A-306(2))

I, (print name)__________, certify that the__________ (type of instrument), dated__________, was delivered to me in escrow by__________. (seller's name). NOTE: Agent named here must sign below and indicate name of firm. The payment of the tax is considered current if it is not more than 90 days beyond the date shown on the instrument. If it is past 90 days, interest and penalties apply to the date of the instrument.

2. GIFTS: (WAC 458-61A-201) The gift of equity is non-taxable; however, any consideration received is not a gift and is taxable. The value exchanged or paid for equity plus the amount of debt equals the taxable amount. One of the boxes below must be checked. Both Grantor (seller) and Grantee (buyer) must sign below.

A. Gifts with consideration

1. ☐ Grantor (seller) has made and will continue to make all payments after this transfer on the total debt of $__________, and has received from the grantee (buyer) $__________. (include in this figure the value of any items received in exchange for property). Any consideration received by grantor is taxable.

2. ☐ Grantor (seller) will make payments on _______% of total debt of $__________, for which grantor (seller) is liable and pay grantor (seller) $__________. (include in this figure the value of any items received in exchange for property). Any consideration received by grantor is taxable.

B. Gifts without consideration

1. ☐ There is no debt on the property; Grantor (seller) has not received any consideration towards equity. No tax is due.

2. ☐ Grantor (seller) has made and will continue to make 100% of the payments on the total debt of $__________, and has not received any consideration towards equity. No tax is due.

3. ☐ Grantee (buyer) has made and will continue to make 100% of the payments on total debt of $__________, and has not paid grantor (seller) any consideration towards equity. No tax is due.

4. ☐ Grantor (seller) and grantee (buyer) have made and will continue to make payments from joint account on total debt before and after the transfer. Grantee (buyer) has not paid grantor (seller) any consideration towards equity. No tax is due.

Has there been or will there be a refinance of the debt? ☐ YES ☐ NO (If yes, please call (360) 534-1503 to see if this transfer is taxable). If grantor (seller) was on title as co-signor only, please see WAC 458-61A-215 for exemption requirements.

The undersigned acknowledge this transaction may be subject to audit and have read the above information regarding record-keeping requirements and evasion penalties.

Grantor's Signature __________________________ Date ____________

Grantee’s Signature __________________________ Date ____________

Grantor's Name (print) __________________________ Grantee’s Name (print) __________________________

3. ☐ IRS "TAX DEFERRED" EXCHANGE (WAC 458-61A-213)

I, (print name) __________________________, certify that I am acting as an Exchange Facilitator in transferring real property to __________________________pursuant to IRC Section 1031, and in accordance with WAC 458-61A-213. NOTE: Exchange Facilitator must sign below.

________________________________________ Exchange Facilitator's Signature

For tax assistance, contact your local County Treasurer/Recorder or visit http://dor.wa.gov or call (360) 534-1503. To inquire about the availability of this document in an alternate format, please call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711.

COUNTY TREASURER

REV 84 0002a (6/26/14)
This form must be submitted with the Real Estate Excise Tax Affidavit (FORM REV 84 0001A for deeded transfers and Form REV 84 0001B for controlling interest transfers) for claims of tax exemption as provided below. Completion of this form is required for the types of real property transfers listed in numbers 1-3 below. Only the first page of this form needs original signatures.

**AUDIT:** Information you provide on this form is subject to audit by the Department of Revenue. In the event of an audit, it is the taxpayers’ responsibility to provide documentation to support the selling price or any exemption claimed. This documentation must be maintained for a minimum of four years from date of sale. (RCW 82.45.100) Failure to provide supporting documentation when requested may result in the assessment of tax, penalties, and interest. Any filing that is determined to be fraudulent will carry a 50% evasion penalty in addition to any other accrued penalties or interest when the tax is assessed.

**PERJURY:** Perjury is a class C felony which is punishable by imprisonment in a state correctional institution for a maximum term of not more than five years, or by a fine in an amount fixed by the court of not more than five thousand dollars ($5,000.00), or by both imprisonment and fine (RCW 9A.20.020 (1C)).

The persons signing below do hereby declare under penalty of perjury that the following is true (check appropriate statement):

1. **DATE OF SALE:** (WAC 458-61A-306(2))
   - YES
   - NO

   I, (print name), _______________ certify that the _______________ (type of instrument), dated _______________, was delivered to me in escrow by _______________.

   (seller's name). NOTE: Agent named here must sign below and indicate name of firm. The payment of the tax is considered current if it is not more than 90 days beyond the date shown on the instrument. If it is past 90 days, interest and penalties apply to the date of the instrument.

   Reasons held in escrow: _______________.

2. **GIFTS:** (WAC 458-61A-201) The gift of equity is non-taxable; however, any consideration received is not a gift and is taxable.
   - Gifts with consideration
   - Gifts without consideration

   A. Gifts with consideration
      1. Yes
         - Grantor (seller) has made and will continue to make all payments after this transfer on the total debt of _______________ and has received from the grantee (buyer) _______________.

   B. Gifts without consideration
      1. Yes
         - Grantor (seller) has made and will continue to make 100% of the payments on the total debt of _______________.

   **NOTE:** Examples of different transfer types are provided on the back. This is to assist you with correctly completing this form and paying your tax.

   "Consideration" means money or anything of value, either tangible (boats, motor homes, etc) or intangible, paid or delivered, or contracted to be paid or delivered, including performance of services, in return for the transfer of real property. The term includes the amount of any lien, mortgage, contract indebtedness, or other encumbrance, given to secure the purchase price, or any part thereof, or remaining unpaid on the property at the time of sale. "Consideration" includes the assumption of an underlying debt on the property by the buyer at the time of transfer.

   Has there been or will there be a refinance of the debt? YES  NO

   (If yes, please call (360) 534-1503 to see if this transfer is taxable). If grantor (seller) was on title as co-signor only, please see WAC 458-61A-215 for exemption requirements.

   The undersigned acknowledge this transaction may be subject to audit and have read the above information regarding record-keeping requirements and evasion penalties.

   Grantor’s Signature _______________ Date _______________

   Grantee’s Signature _______________ Date _______________

   Grantor’s Name (print) _______________

   Grantee’s Name (print) _______________

3. **IRS "TAX DEFERRED" EXCHANGE** (WAC 458-61A-213)
   - IRS "TAX DEFERRED" EXCHANGE

   I, (print name) _______________, certify that I am acting as an Exchange Facilitator in transferring real property to _______________, pursuant to IRC Section 1031, and in accordance with WAC 458-61A-213. **NOTE:** Exchange Facilitator must sign below.

   Exchange Facilitator’s Signature _______________
This form must be submitted with the Real Estate Excise Tax Affidavit (FORM REV 84 0001A for deeded transfers and Form REV 84 0001B for controlling interest transfers) for claims of tax exemption as provided below. Completion of this form is required for the types of real property transfers listed in numbers 1-3 below. Only the first page of this form needs original signatures.

AUDIT: Information you provide on this form is subject to audit by the Department of Revenue. In the event of an audit, it is the taxpayers' responsibility to provide documentation to support the selling price or any exemption claimed. This documentation must be maintained for a minimum of four years from date of sale. (RCW 82.85.100) Failure to provide supporting documentation when requested may result in the assessment of tax, penalties, and interest. Any filing that is determined to be fraudulent will carry a 50% evasion penalty in addition to any other accrued penalties or interest when the tax is assessed.

PERJURY: Perjury is a class C felony which is punishable by imprisonment in a state correctional institution for a maximum term of not more than five years, or by a fine in an amount fixed by the court of not more than five thousand dollars ($5,000.00), or by both imprisonment and fine (RCW 9A.20.020 (1C)).

The persons signing below do hereby declare under penalty of perjury that the following is true (check appropriate statement):

1. DATE OF SALE: (WAC 458-61A-306(2))

I, (print name)_, certify that the (type of instrument), dated (seller's name). NOTE: Agent named here must sign below and indicate name of firm. The payment of the tax is considered current if it is not more than 90 days beyond the date shown on the instrument. If it is past 90 days, interest and penalties apply to the date of the instrument.

Reasons held in escrow:

Signature Firm Name

2. GIFTS: (WAC 458-61A-201) The gift of equity is non-taxable; however, any consideration received is not a gift and is taxable. The value exchanged or paid for equity plus the amount of debt equals the taxable amount. One of the boxes below must be checked. Both Grantor (seller) and Grantee (buyer) must sign below. Grantor (seller) gifts equity valued at $ (include in this figure the value of any items received in exchange for property). Any consideration received by grantor is taxable.

A. Gifts with consideration
   1. Grantor (seller) has made and will continue to make all payments after this transfer on the total debt of $ and has received from the grantee (buyer) $ (include in this figure the value of any items received in exchange for property). Any consideration received by grantor is taxable.
   2. Grantor (seller) has made and will continue to make 100% of the payments on total debt of $ and has not received any consideration towards equity. No tax is due.
   3. Grantor (seller) has made and will continue to make 100% of the payments on total debt of $ and has not paid grantor (seller) any consideration towards equity. No tax is due.
   4. Grantor (seller) and grantee (buyer) have made and will continue to make payments from joint account on total debt before and after the transfer. Grantee (buyer) has not paid grantor (seller) any consideration towards equity. No tax is due.

Has there been or will there be a refinance of the debt? YES NO (If yes, please call (360) 534-1503 to see if this transfer is taxable). If grantor (seller) was on title as co-signor only, please see WAC 458-61A-213 for exemption requirements.

The undersigned acknowledge this transaction may be subject to audit and have read the above information regarding record-keeping requirements and evasion penalties.

Grantor's Signature Date Grantee’s Signature Date

Grantor's Name (print) Grantee’s Name (print)

3. IRS "TAX DEFERRED" EXCHANGE (WAC 458-61A-213)

I, (print name)_, certify that I am acting as an Exchange Facilitator in transferring real property to pursuant to IRC Section 1031, and in accordance with WAC 458-61A-213. NOTE: Exchange Facilitator must sign below.

Exchange Facilitator's Signature
This form must be submitted with the Real Estate Excise Tax Affidavit (FORM REV 84 0001A for deeded transfers and Form REV 84 0001B for controlling interest transfers) for claims of tax exemption as provided below. Completion of this form is required for the types of real property transfers listed in numbers 1-3 below. Only the first page of this form needs original signatures.

AUDIT: Information you provide on this form is subject to audit by the Department of Revenue. In the event of an audit, it is the taxpayers’ responsibility to provide documentation to support the selling price or any exemption claimed. This documentation must be maintained for a minimum of four years from date of sale. (RCW 82.45.100) Failure to provide supporting documentation when requested may result in the assessment of tax, penalties, and interest. Any filing that is determined to be fraudulent will carry a 50% evasion penalty in addition to any other accrued penalties or interest when the tax is assessed.

PERJURY: Perjury is a class C felony which is punishable by imprisonment in a state correctional institution for a maximum term of not more than five years, or by a fine in an amount fixed by the court of not more than five thousand dollars ($5,000.00), or by both imprisonment and fine (RCW 9A.20.020 (1C)).

The persons signing below do hereby declare under penalty of perjury that the following is true (check appropriate statement):

1. ☐ DATE OF SALE: (WAC 458-61A-306(2))

I, _______________________, certify that the _______________________, was delivered to me in escrow by _______________________, (seller's name). NOTE: Agent named here must sign below and indicate name of firm. The payment of the tax is considered current if it is not more than 90 days beyond the date shown on the instrument. If it is past 90 days, interest and penalties apply to the date of the instrument.

Reasons held in escrow:

___________________________________________________________

Signature

Firm Name

2. GIFTS: (WAC 458-61A-201) The gift of equity is non-taxable; however, any consideration received is not a gift and is taxable. The value exchanged or paid for equity plus the amount of debt equals the taxable amount. One of the boxes below must be checked.

Both Grantor (seller) and Grantee (buyer) must sign below.

Grantor (seller) gifts equity valued at $ _______________________.

Grantee (buyer) will make payments on _______________________% of total debt of $ _______________________. (include in this figure the value of any items received in exchange for property). Any consideration received by grantor is taxable.

Grantor (seller) and grantee (buyer) have made and will continue to make payments from joint account on total debt of _______________________.

Grantee (buyer) has not paid grantor (seller) any consideration towards equity. No tax is due.

Grantor (seller) has made and will continue to make payments from joint account on total debt of _______________________.

Grantee (buyer) has made and will continue to make payments from joint account on total debt of _______________________.

Exchange Facilitator's Signature

Firm Name

B. Gifts without consideration

1. ☐ There is no debt on the property; Grantor (seller) has not received any consideration towards equity.

No tax is due.

2. ☐ Grantor (seller) has made and will continue to make 100% of the payments on the total debt of _______________________ and has not received any consideration towards equity. No tax is due.

3. ☐ Grantee (buyer) has made and will continue to make 100% of the payments on total debt of _______________________.

Grantee (buyer) has not paid grantor (seller) any consideration towards equity. No tax is due.

Has there been or will there be a refinance of the debt? ☐ YES ☐ NO (If yes, please call (360) 534-1503 to see if this transfer is taxable). If grantor (seller) was on title as co-signor only, please see WAC 458-61A-215 for exemption requirements.

The undersigned acknowledge this transaction may be subject to audit and have read the above information regarding record-keeping requirements and evasion penalties.

Grantor's Signature ______________________ Date ______________________

Grantee’s Signature ______________________ Date ______________________

Grantor's Name (print) ______________________

Grantee’s Name (print) ______________________

4. ☐ IRS "TAX DEFERRED" EXCHANGE (WAC 458-61A-213)

I, _______________________, certify that I am acting as an Exchange Facilitator in transferring real property to _______________________, pursuant to IRC Section 1031, and in accordance with WAC 458-61A-213. NOTE: Exchange Facilitator must sign below.

Exchange Facilitator's Signature ______________________

For tax assistance, contact your local County Treasurer/Recorder or visit http://dor.wa.gov or call (360) 534-1503. To inquire about the availability of this document in an alternate format, please call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711.

REV 84 0002ae (6/26/14) TAXPAYER
payments are made is not deemed consideration in exchange for the transfer from Bob (because she made contributions for many years before the transfer). The grantee has or will in the future make any payments on the debt, and whether a refinance of debt has occurred or is planned to occur. The statement must be signed by both the grantor and the grantee.

(2) Reputable presumption regarding refinancing transactions. (a) There is a reputable presumption that the transfer is a sale and not a gift if the grantee is involved in a refinancing of debt on the property within six months of the time of the transfer. (b) There is a reputable presumption that the transfer is a gift and not a sale if the grantee is involved in a refinancing of debt on the property more than six months from the time of the transfer.

(3) Assumption of debt. If the grantee agrees to assume payment of the grantor’s debt on the property in return for the transfer, there is consideration, and the transfer is not exempt from tax. Real estate excise tax is due on the amount of debt assumed, in addition to any other form of payment made by the grantee to the grantor in return for the transfer. However, equity in the property can be gifted.

(4) Reputable presumption regarding refinancing transactions. (a) There is a reputable presumption that the transfer is a sale and not a gift if the grantee is involved in a refinancing of debt on the property within six months of the time of the transfer. (b) There is a reputable presumption that the transfer is a gift and not a sale if the grantee is involved in a refinancing of debt on the property more than six months from the time of the transfer.

(5) Documentation. (a) A completed real estate excise tax affidavit is required for transfers by gift. A supplemental statement approved by the department must be completed and attached to the affidavit. The supplemental statement will attest to the existence or absence of underlying debt on the property, whether the grantor has or will in the future make any payments on the debt, and whether a refinance of debt has occurred or is planned to occur. The statement must be signed by both the grantor and the grantee. (b) The grantor must retain financial records providing proof that the grantor is entitled to this exemption in case of audit by the department. Failure to provide records upon request will result in subsequent denial of the exemption.

(6) Examples. (a) Overview. The following examples, while not exhaustive, illustrate some of the circumstances in which a grant of an interest in real property may qualify for this exemption. These examples should be used only as a general guide. The taxability of each transaction must be determined after a review of all the facts and circumstances.

(b) Examples—No debt. (i) John conveys his residence valued at $200,000 to Sara. John comes off of the title. There is no underlying debt on the property, and Sara gives John no consideration for the transfer. The conveyance from John to Sara qualifies for the gift exemption from real estate excise tax. (ii) Keith and Jean, as joint owners, convey their residence valued at $200,000 to Jean as her sole property. There is no underlying debt on the property. In exchange for Jean’s one-half interest in the property, Jean gives Keith $10,000. Keith has made a gift of $90,000 in equity, and received consideration of $10,000. Real estate excise tax is due on the $10,000.

(c) Examples—Existing debt. (i) Josh conveys his residence valued at $200,000 to Samantha. Josh has $25,000 in equity and an underlying debt of $175,000. Josh continues to make the mortgage payments out of his own funds, and Samantha does not contribute any payments toward the debt. Since Josh continues to make the payments, there is no consideration from Samantha to Josh, and the transfer qualifies for exemption as a gift. (ii) Josh conveys the residence to Samantha, and after the transfer, the grantee makes payments on the debt. Josh does not contribute to the payments on the debt after the title is transferred. Josh has made a gift of his $25,000 equity, but real estate excise tax is due on the $175,000 debt that Samantha is now paying. (iii) Dan conveys his residence valued at $200,000 to himself and Jill as tenants in common. Dan has $25,000 in equity and an underlying debt of $175,000. Dan and Jill open a new joint bank account, to which they both contribute funds equally. Mortgage payments are made from their joint account. There is a rebuttable presumption that real estate excise tax is due on the conveyance because Jill appears to be contributing toward payments on the debt. In that case, real estate excise tax due is on the consideration given by Jill, (50% of the underlying debt based upon her contributions to the joint account). The tax will be calculated on a one-half interest in the existing debt ($87,500). (iv) Dan conveys the residence to himself and Jill, and Dan has $25,000 in equity, and a mortgage of $175,000. Dan and Jill open a new joint bank account, and the payments on the underlying debt are made from that account. There is a rebuttable presumption that real estate excise tax is due on the conveyance because Jill makes the payments on the debt. In that case, real estate excise tax is due on the consideration given by Jill, (50% of the underlying debt based upon her contributions to the joint account).

(d) Examples—Refinanced debt. (i) Bob conveys his residence to himself and Jane. Within one month of the transfer, Bob and Jane refinance the underlying debt of $175,000 by taking over the payments on the property. The payment of the underlying debt is not a gift. Jane does not contribute any funds toward the payments. The conveyance qualifies for the gift exemption because Jane gave no consideration for the transfer. (ii) Kyle and Amy refinance the mortgage in both their names, and open a joint bank account to which they contribute funds equally. Payments on the new mortgage are made from the joint account. There is a rebuttable presumption that Kyle’s contributions to the joint account are consideration for the transfer, and Amy’s contributions to the joint account are consideration for the transfer. Real estate excise tax is due on the one-half interest of the debt contributed by Zack ($87,500).

(e) Examples—Gifts. (1) John conveys his residence valued at $200,000 to Sara. John comes off of the title. There is no underlying debt on the property, and Sara gives John no consideration for the transfer. The conveyance from John to Sara qualifies for the gift exemption from real estate excise tax. (ii) Keith and Jean, as joint owners, convey their residence valued at $200,000 to Jean as her sole property. There is no underlying debt on the property. In exchange for Jean’s one-half interest in the property, Jean gives Keith $10,000. Keith has made a gift of $90,000 in equity, and received consideration of $10,000. Real estate excise tax is due on the $10,000.

(f) Examples—Refinanced debt. "Cosigner." Charlie and Sadie, a married couple, own a residence valued at $200,000 with an underlying mortgage of $170,000. Sadie receives the property when they divorce. After a few months, Sadie tries to refinance, but her credit is insufficient to obtain a loan in her name only. She obtains a loan in her name and takes out a second loan in Charlie’s name. As a result, Sadie has more than 50% ownership in the property. (ii) Zag and Jill, as joint owners, convey their residence valued at $200,000 to Jill as her sole property. Jill refinances the mortgage in both her names, and opens a joint bank account to which they contribute funds equally. Payments on the new mortgage are made from the joint account. There is a rebuttable presumption that Jill’s contributions to the joint account are consideration for the transfer, and Zag’s contributions to the joint account are consideration for the transfer. Real estate excise tax is due on the one-half interest of the debt contributed by Jill ($87,500).

(g) Examples—Rent or commercial property. Sue owns a rental property valued at $200,000, with an underlying mortgage of $175,000. Sue conveys the property to herself and Zack as tenants in common. Prior to the transfer, the rental income went to a bank account in Sue’s name only, and she made the mortgage payments from her own funds. After the transfer, the income is now deposited in the joint account, and the mortgage payments are made from that account. There is a rebuttable presumption that this is a taxable transaction, because this appears to be a business arrangement. As a business venture, one-half of the rental income now belongs to Zack, and is being contributed toward payment of the mortgage. The real estate excise tax will be due on the one-half interest of the debt contributed by Zack ($87,500).