

Heavy Equipment Rental Exemption

Beginning with the Jan. 1, 2021 assessment year, a heavy equipment rental dealer can claim a property tax exemption on qualifying heavy equipment rental property owned by the dealer if it receives more than 50% of their annual revenue from the rental of heavy equipment.

Submit this form (along with your personal property listing form) each year **by April 30** to your local County Assessor.

Owner information

Name:

Mailing address:

State:

Zip:

County:

Phone:

Personal property you are claiming for exemption

Personal property parcel number:

List/describe the equipment you are claiming for exemption (if you need more room, attach a separate listing).

Equipment description	Year of acquisition	Purchase price (less sales tax)

Qualification questionnaire

Are you a "heavy equipment rental property dealer" as defined in RCW 84.36.597 below? Yes No

DOR Tax Account ID where heavy equipment rental tax is reported (RCW 82.51.010)

What is your total annual revenue?

How much total annual revenue was due to the rental of heavy equipment?

Has the heavy equipment been rented to someone affiliated with the dealer in the previous year? Yes No

Certification

I certify under penalty of perjury under the laws of the state of Washington that the above-described heavy equipment rental property is owned by a dealer and has not been rented to a person affiliated with the dealer in the previous calendar year. I further certify that the statements made in this application are true and correct, and I grant permission for the Department of Revenue to share information with the county assessor's office to allow them to verify the revenue requirements of this exemption.

Signature:

Title:

Application date:

Printed name:

Phone:

Next steps:

1. Save and print this form.
2. Submit this form (and your personal property listing form) each year by April 30 to your local County Assessor.
The Assessor will determine if the equipment will be exempt from property tax for the following year.

How to complete the form

Owner information

- The property owner's name, phone number, mailing address.
- The county where the property is located.

Heavy equipment rental property that is being requested for exemption

- The parcel number for the heavy equipment rental property requested for exemption. A separate exemption form must be submitted for each personal property parcel located in the county.
- List all of the heavy equipment rental property that is being requested for exemption, also include the required personal property listing to the County Assessor. If attached, please list the heavy equipment claimed for the exemption in a similar format as the personal property listing to ensure the equipment properly meets the exemption; such as list the date of the acquisition and the purchase price without sales tax.

Heavy equipment dealer qualification

- Be a heavy equipment rental dealer.
- List your Department of Revenue UBI or Excise Tax Account ID where the heavy equipment rental tax is reported.
- The amount of the dealer's total annual revenue from the previous year.
- The amount of the dealer's annual revenue for the previous year from the rental of heavy equipment rental property.

More information

What types of property qualify?

Property that qualifies include heavy equipment rented for use in construction, earthmoving, or industrial applications. View our Special Notice for additional qualifying exemption details and requirements.

Who is considered a heavy equipment rental dealer?

A heavy equipment rental dealer means a person "principally" engaged in the business of renting heavy equipment rental property. "Principally" means that the dealer receives more than 50% of the dealer's annual total revenue from the rental of heavy equipment rental property (RCW 84.36.597).

What does "affiliated" mean for purposes of the exemption?

- An affiliated business (or party) is someone having either a direct or indirect ownership interest in the business of more than 5%. This includes those who are related to each other because of a third person, or group of people who are affiliated holding interest of more than 5%.
- If a piece of heavy equipment rental property is rented to an affiliated party, then that piece of equipment is not eligible for a property tax exemption in the year following the rental (RCW 84.36.597).

New heavy equipment rental tax

Starting Jan. 1, 2022 there is a heavy equipment rental tax of 1.25% that will be charged on each in-state rental of heavy equipment rental property and collected by a heavy equipment rental property dealer. Please view our Special Notices for more detailed information about the exemption and new rental tax: [Property Tax Exemption for Heavy Equipment Rental Property](#) and [Heavy Equipment Rental Tax](#).

