

### Contact

Property Tax 360-534-1400

### TTY

Teletype (TTY) users may use the Washington Relay Service by calling 711.

### Hours

Monday - Friday, 8 a.m. - 5 p.m.

### **Our Mission**

To achieve the highest level of voluntary compliance and customer service though collaboration and innovation.

### **Our Vision**

To fairly and effectively collect revenues and administer programs to fund public services and advocate sound tax policy.

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## Tax Topic

# FAQ: How funding education will impact your property tax bill

Important: This document is intended **for the reader who already possesses basic knowledge** of the 2017 changes (<u>Engrossed</u> <u>House Bill 2422</u>) legislators made to the 'state school property tax levy.' This levy helps fund basic education.

### Will my taxes go up?

Yes. Your taxes will likely increase. For *most* taxpayers, your estimated increase is \$0.90 - \$1.00 per \$1,000 of assessed value. However, contact your county assessor's office for more specific information.

Example: Your assessed value equals \$250,000 and the levy rate increase is \$0.95. So, your tax amount will increase by \$237.50.

### Why did this state tax rate increase?

This increased state tax rate is one of several legislative changes made to fund the state's basic education program. This legislation became law on Oct. 19, 2017. You saw the effects of the new law on your 2018 property taxes.

### What is the difference between the state school "levy" and the state school "levy rate"?

The state school **"levy"** is the total dollar amount the state collects for schools.

The state school **"levy rate"** is the amount per \$1,000 of assessed value needed to generate the "levy".

Example: If the "levy" is \$300,000 and the assessed value of all property in the taxing district is \$100,000,000, the "levy rate" would be \$3.00 per \$1,000 assessed value.

### So, what is the new rate?

The rate for 2018, 2020, and 2021 is \$2.70 per \$1,000 of your property's market value. (The 2017 tax rate was \$1.89 per \$1,000). As a result of ESSB 6614, the rate for 2019 will be \$2.40 per \$1,000 of your property's market value. **However, this new tax rate adjusts based on the county you live in.** 

The final tax rate that appears on your 2018 tax bill is based on:

- how close your county's property valuations are to market value, and
- other legal adjustments (such as court-ordered refunds and unpaid property taxes in your county).

This process ensures the state tax rate (\$2.70) is equally applied to all property owners across the state.

### How will this increased rate affect property tax for different groups who already qualify for a tax exemption?

- Senior citizens and disabled persons (<u>RCW 84.36.381</u>) – not affected
- Nonprofit organizations (<u>RCW 84.36</u>) – not affected
- Exempt properties (<u>RCW 84.36</u>) – not affected
- Farm and machinery equipment (<u>RCW 84.36.630</u>) – not affected

### Will the state school levy rate on my tax statement equal \$2.70?

No. The total state school levy rate on your tax statement will fluctuate due to individual county adjustments.

#### What if I have more questions?

Call your county assessor's office for more information.

You can click here for an infographic about your 2018, 2020, and 2021 taxes.

You can click here for an infographic about your 2019 taxes.