

# **Special Notice**

Intended audience: Independent affordable homeownership facilitators, taxpayers (low-income household) and counties.

Oct. 8, 2019

# Real estate excise tax exemption for self-help housing developments

Effective Oct. 1, 2019, affordable homeownership facilitators who sell self-help housing to low-income households can qualify for a real estate excise tax (REET) exemption.

#### **Documentation**

To claim a REET exemption, sellers must submit **both** of the following forms to their local county treasurer's office:

Required forms	Completed by	Submit to
Real Estate Excise Tax Affidavit	Seller and buyer	Local county treasurer
Certification for Self-help Housing Development Exemption Affidavit	Seller	Local county treasurer (Submit with your REET Affidavit)

#### **Definitions**

**Affordable homeownership facilitator** is a nonprofit community or a neighborhood-based organization that is exempt from income tax under Title 26 U.S.C. Sec. 501(c) of the internal revenue code, and who is also a developer of self-help housing.

**Qualified low-income household** means individuals and families whose adjusted household income, does not exceed 80% of median household income, adjusted for household size, as most recently determined by the federal department of housing and urban development for the county in which the dwelling is located.

**Self-help housing** is a residence provided to low-income individuals and families for ownership, where the residents are required to participate in the construction. Self-help housing does not include residential rental housing provided to the general public.

### **More information**

RCW 82.45.010(3)(u)(i)

## **Questions?**

Call 360-534-1503 with questions.