

Real Estate Excise Tax (REET)

RCW Chapters 82.45 and 82.46

Tax Base Sales of real property measured by the selling price, including the amount of any liens, mortgages, or other debts. Typically, the seller of the property pays the tax.

The tax also applies to transfers of controlling interests (50% or more) in entities that own real property in the state.

Tax exemptions may reduce these taxes.
For more information, refer to the [Tax Exemption Study](#).

Tax Rate Beginning January 1, 2023, the state graduated real estate excise tax rates apply to the portion of the sale price as follows:

Sales price threshold	Tax Rate
\$525,000 or less	1.10%
\$525,000.01 - \$1,525,000	1.28%
\$1,525,000.01 - \$3,025,000	2.75%
\$3,025,000.01 or more	3.00%

A flat rate of 1.28% applies to agricultural land and timberland sales.

Counties, cities, and towns may add a local real estate excise tax.

Recent Collections (\$000)

Fiscal Year	Collections	% Change	% of All State Taxes
2021	\$1,837,324	47.6%	6.1%
2020	\$1,245,078	5.0%	4.6%
2019	\$1,186,273	0.3%	4.6%
2018	\$1,183,271	8.7%	5.0%
2017	\$1,088,609	13.5%	4.9%
2016	\$959,492	18.6%	4.7%
2015	\$808,977	22.2%	4.3%
2014	\$662,132	13.4%	3.7%
2013	\$583,763	38.2%	3.4%
2012	\$422,360	11.2%	2.6%

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Distribution of Receipts From January 1, 2020, through June 30, 2023, the taxes distribute as follows:

- 79.4% goes to the General Fund.
- 1.7% goes to the Public Works Assistance Account.
- 1.4% goes to the City/County Assistance Fund.
- The Education Legacy Trust Account receives the remainder.

Beginning July 1, 2023, the taxes distribute as follows:

- 79.4% goes to the General Fund.
- 5.2% goes to the Public Works Assistance Account.
- 1.4% goes to the City/County Assistance Fund.
- The Education Legacy Trust Account receives the remainder.

Levied by State, counties, and cities

Administration Department of Revenue and county treasurers

County treasurers collect the tax at the time of sale and send the taxes to the state treasurer.

For transfers of controlling interests in entities that own real property, taxpayers pay the Department of Revenue directly.

History

2022 Beginning January 1, 2023, exempted the sale or transfer of real property to a qualifying grantee using the property as low-income housing.

2019 Adopted graduated state real estate excise tax rates.

2019 Reinstated the exemption for sales of qualified manufactured/mobile home communities until January 1, 2030.

2019 Exempted the sale of self-help housing by an affordable homeownership facilitator to a low-income household.

For a comprehensive real estate excise tax history prior to 2019, refer to the dor.wa.gov webpage [History of Major Washington Taxes](#).
