

Timber Excise Tax

RCW Chapter 84.33

Tax Base The stumpage value of timber harvested for sale or for commercial or industrial use. Taxpayers determined stumpage value using the Stumpage Value Tables published by the Department of Revenue with the following exceptions:

- Small harvesters may elect to report the actual gross receipts received from the sales of the timber.
- The stumpage value for timber harvested on public land is the amount paid for the timber.

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

Timber excise tax is in addition to the business and occupation tax.

Tax Rate 5% including the:

- 1% state rate.
- 4% county rate.

Recent Collections (\$000)

Fiscal Year	Collections	% Change	% of All State Taxes
2021	\$(281)	-67%	0.00%
2020	\$(840)	-137%	0.00%
2019	2,299	43%	0.01%
2018	\$1,610	-10%	0.01%
2017	\$1,786	-33%	0.01%
2016	\$2,669	23%	0.01%
2015	\$2,166	-21%	0.01%
2014	\$2,742	-3%	0.02%
2013	\$2,821	-19%	0.02%
2012	\$3,492	-13%	0.02%

Distribution of Receipts The Timber Tax Distribution Account receives all taxes and distributed them as follows:

- 20% to the General Fund.
- 80% to the county of the harvested timber.

County treasurers distribute funds to:

1. Taxing districts for capital projects.

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2. School districts.
 3. Taxing districts in proportion to the timber assessed value of each district.
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Levied by State and counties

Administration Department of Revenue

A harvester with an active permit must report and pay these taxes quarterly until a harvest is complete.

- History**
- 2021 Extended the expiration date for the reporting requirement for purchasers of privately owned timber to September 30, 2025.
 - 2017 Required the Department of Revenue to estimate the amount of public forest land available for timber harvesting by October 1 each year.
 - 2014 Reduced the minimum size requirement for designated forest land from 20 acres to 5 acres. New provisions required devotion of forest land parcels to primarily growing and harvesting timber. The parcels cannot include any residence, building improvements, or land used for a homesite.
 - 2010 The Pollution Control Hearing Board began reviewing applications for the timber harvest tax credit for Enhanced Aquatic Resource Requirements. Previously, the Forest Practices Appeals Board reviewed applications. Also, added reporting requirements timber purchases and made privately purchased timber reports confidential. Extended the expiration date for the reporting requirements for timber purchase to July 1, 2014.
 - 2008 Authorized special valuation of timber impacted by the 2007 floods in the Presidential Declared Disaster Area counties. Allowed small harvesters who cut less than 5 million board feet of timber annually from federally designated impact counties to base their excise tax on sales receipts, less expenses, rather than using the Department's stumpage value tables.
 - 2007 Authorized the Governor to enter into an agreement with the Quinault Indian Nation relating to the imposition of a tribal timber excise tax. Required the tribal timber harvest excise tax rate to equal to the state timber tax rate.

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- 2004 Instituted a ten-year phase-down of the state tax on timber harvested on public lands and a corresponding transfer of this tax to counties. The change did not impact the amount of tax paid by harvesters but required the state and county tax rates be the same by 2014. Also exempted all standing timber from property tax.
 - 1999 Established a new program to protect salmon habitats and added a timber excise tax credit for harvesters impacted by the enhanced aquatic resource requirements as determined by the Department of Natural Resources.
 - 1984 Adopted a phase-down of the 6.5% tax. Beginning July 1, 1985, reduced the rate to 5%, of which 4% goes to the county of the harvested timber.
 - 1982 Extended the forest tax to timber harvested on state and federally owned lands with receipts from public lands going to the General Fund and receipts from private lands going to local governments.
 - 1981 Established forest land values and adjusted the forest values annually based on the change in harvest value over the prior five years.
 - 1971 Enacted the forest tax and replaced the property tax on timber grown on privately owned lands. The tax phased in over a period of three years, with the final rate of 6.5% effective by 1975. The value of bare forest lands and parcels of at least 20 acres continued to be subject to property taxes.
 - 1931 Enacted the Reforestation Act was providing an alternative to property tax on harvested lands or lands producing less than their potential.
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