

RULE-MAKING ORDER PERMANENT RULE ONLY

CR-103P (December 2017) (Implements RCW 34.05.360)

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER STATE OF WASHINGTON FILED

DATE: November 05, 2024

TIME: 8:01 AM

WSR 24-22-110

Agency: Department of Revenue
Effective date of rule: Permanent Rules □ 31 days after filing. □ Other (specify) (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)
Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule? ☐ Yes ☐ No ☐ If Yes, explain:
Purpose: The department is amending WAC 458-19-070 and 458-19-075 to incorporate 2024 legislation, Substitute House Bill 2348. This legislation created a stand-alone hospital levy in addition to the county's general levy. The stand-alone hospital levy only applies to counties with a population greater than 2,000,000.
Citation of rules affected by this order: New: Repealed: Amended: WAC 458-19-070 Five dollars and ninety cents statutory aggregate dollar rate limit calculation; WAC 458-19-075 Constitutional one percent limit calculation Suspended:
Statutory authority for adoption: RCW 84.08.010; RCW 84.08.070
Other authority: N/A
PERMANENT RULE (Including Expedited Rule Making) Adopted under notice filed as WSR 24-18-043 on August 27, 2024 (date). Describe any changes other than editing from proposed to adopted version: N/A
If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:
Name: Address: Phone: Fax: TTY: Email: Web site: Other: A preliminary cost-benefit analysis was not prepared.
Other. A proliminary cost-benefit analysis was not prepared.

Note: If any category is left blank, it will be calculated as zero. No descriptive text.

Count by whole WAC sections only, from the WAC number through the history note.

A section may be counted in more than one category.

The number of sections adopted in order to comply	y with:							
Federal statute:	New		Amended		Repealed			
Federal rules or standards:	New		Amended		Repealed			
Recently enacted state statutes:	New	<u> </u>	Amended	2	Repealed			
The number of sections adopted at the request of a	a nong	overnmenta	ıl entity:					
	New		Amended		Repealed			
The number of sections adopted on the agency's o	own init	tiative:						
	New		Amended		Repealed			
The number of sections adopted in order to clarify, streamline, or reform agency procedures:								
	New		Amended		Repealed			
Γhe number of sections adopted using:								
Negotiated rule making:	New		Amended		Repealed			
Pilot rule making:	New		Amended		Repealed			
Other alternative rule making:	New		Amended		Repealed			
Date Adopted: November 5, 2024		Signature:						
Name: Brenton Madison				AN	11.			
Title: Rules Coordinator			12	// //				

AMENDATORY SECTION (Amending WSR 24-02-017, filed 12/21/23, effective 1/21/24)

- WAC 458-19-070 Five dollars and ninety cents statutory aggregate dollar rate limit calculation. (1) Introduction. This rule describes the process used to reduce or eliminate a levy rate when the assessor finds the statutory aggregate dollar rate limit exceeds \$5.90. The aggregate of all regular levy rates of junior taxing districts and senior taxing districts, other than the state and other specifically identified districts, cannot exceed \$5.90 per \$1,000 of assessed value in accordance with RCW 84.52.043. When the county assessor finds that this limit has been exceeded, the assessor recalculates the levy rates and establishes a new consolidated levy rate as described in RCW 84.52.010. The \$5.90 statutory aggregate dollar rate limit is reviewed before the constitutional one percent limit.
- (2) Levies not subject to statutory aggregate dollar rate limit. The following levies are not subject to the statutory aggregate dollar rate limit of \$5.90 per \$1,000 of assessed value:
 - (a) Levies by the state;
 - (b) Levies by or for port or public utility districts;
- (c) Excess property tax levies authorized in Article VII, section 2 of the state Constitution;
 - (d) Levies by or for county ferry districts under RCW 36.54.130;
- (e) Levies for acquiring conservation futures under RCW 84.34.230;
- (f) Levies for emergency medical care or emergency medical services under RCW 84.52.069;
 - (g) Levies for financing affordable housing under RCW 84.52.105;
- (h) The portion of metropolitan park district levies protected under RCW 84.52.120;
- (i) The portions of levies by fire protection districts and regional fire protection service authorities protected under RCW 84.52.125;
 - (j) Levies for criminal justice purposes under RCW 84.52.135;
- (k) Levies for transit-related purposes by a county under RCW 84.52.140;
- (1) The protected portion of the levies imposed under RCW 84.52.816 by flood control zone districts;
- (m) Levies imposed by a regional transit authority under RCW 81.104.175;
- (n) Levies imposed under RCW 36.69.145, by a park and recreation district located on an island and within a county with a population exceeding 2,000,000, for collection in calendar years 2022 through 2026; ((and))
- (o) The portion of any levy resulting from the correction of a levy error under RCW 84.52.085(3); and
 - (p) Levies for county hospital purposes under RCW 36.62.090.
- (3) Consolidated levy rate limitation. RCW 84.52.010 explains the order in which the regular levies of taxing districts will be reduced or eliminated by the assessor to comply with the statutory aggregate dollar rate limit of \$5.90 per \$1,000 of assessed value. The order in the statute lists which taxing districts are the first to either reduce or eliminate their levy rate. Taxing districts that are at the same level are grouped together in tiers. Reductions or eliminations in levy rates are made on a pro rata basis within each tier of taxing

[1] OTS-5773.2

district levies until the consolidated levy rate no longer exceeds the statutory aggregate dollar rate limit of \$5.90.

As opposed to the order in RCW 84.52.010, which lists the taxing districts that are the first to have their levy rates reduced or eliminated, this rule is written in reverse order; that is, it lists the taxing districts that must be first either fully or partially funded. If the statutory aggregate dollar rate is exceeded, then the levy rates for taxing districts within a particular tier must be reduced or eliminated on a pro rata basis. The proration factor, which is multiplied by each levy rate within the tier, is obtained by dividing the dollar rate remaining available to the taxing districts in that tier as a group by the sum of the levy rates originally certified by or for all of the taxing districts within the tier.

- (a) Step one: Total the aggregate regular levy rates requested by all affected taxing districts in the tax code area. If this total is less than \$5.90 per \$1,000 of assessed value, no levy rate reduction or elimination is necessary. If this total levy rate is more than \$5.90, the assessor must proceed through the following steps until the aggregate dollar rate is brought within that limit.
- (b) Step two: Subtract from \$5.90 the levy rates of the county, including the rate of any separate property tax levy as described in RCW 84.55.135, and the county road district if the tax code area includes an unincorporated portion of the county, or the levy rates of the county and the city or town if the tax code area includes an incorporated area, as applicable.
- (c) Step three: Subtract from the remaining levy capacity the levy rates, if any, for fire protection districts under RCW 52.16.130, regional fire protection service authorities under RCW 52.26.140 (1) (a), library districts under RCW 27.12.050 and 27.12.150, the first 50 cents per \$1,000 of assessed value for metropolitan park districts created before January 1, 2002, under RCW 35.61.210, and the first 50 cents per \$1,000 of assessed value for public hospital districts under RCW 70.44.060(6).
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis until the balance is zero. After prorationing, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step four.
- (d) Step four: Subtract from the remaining levy capacity the levy rates, if any, for fire protection districts under RCW 52.16.140 and 52.16.160, and regional fire protection service authorities under RCW 52.26.140 (1)(b) and (c). However, under RCW 84.52.125, a fire protection district or regional fire protection service authority may protect up to 25 cents per \$1,000 of assessed value of the total levies made under RCW 52.16.140 and 52.16.160, or 52.26.140 (1)(b) and (c) from reduction or elimination.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis until the balance is

zero. It is at this point that the provisions of RCW 84.52.125 come into play; that is, a fire protection district or regional fire protection service authority may protect up to 25 cents per \$1,000 of assessed value of the total levies made under RCW 52.16.140 and 52.16.160, or 52.26.140 (1)(b) and (c) from reduction or elimination under RCW 84.52.043(2), if the total levies would otherwise be reduced or eliminated under RCW 84.52.010 (3)(a)(iii) with respect to the \$5.90 per \$1,000 of assessed value limit. After prorationing, there is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.

- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step five.
- (e) Step five: Subtract from the remaining levy capacity the levy rate, if any, for the first 50 cents per \$1,000 of assessed value of metropolitan park districts created on or after January 1, 2002, under RCW 35.61.210.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis until the balance is zero. After prorationing, there is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step six.
- (f) Step six: Subtract from the remaining levy capacity the 25 cent per \$1,000 of assessed value levy rate for metropolitan park districts if it is not protected under RCW 84.52.120, the 25 cent per \$1,000 of assessed value levy rate for public hospital districts under RCW 70.44.060(6), and the levy rates, if any, for cemetery districts under RCW 68.52.310 and all other junior taxing districts if those levies are not listed in steps three through five or seven or eight of this subsection.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis until the balance is zero. After prorationing, there is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step seven.
- (g) Step seven: Subtract from the remaining levy capacity the levy rate, if any, for flood control zone districts other than the portion of a levy protected under RCW 84.52.816.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis until the balance is zero. After prorationing, there is no remaining levy capacity for any

other junior taxing district at a lower tier and their levies, if any, must be eliminated.

- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step eight.
- (h) Step eight: Subtract from the remaining levy capacity the levy rates, if any, for city transportation authorities under RCW 35.95A.100, park and recreation service areas under RCW 36.68.525, park and recreation districts under RCW 36.69.145, except a park and recreation district described in subsection (2)(n) of this rule, and cultural arts, stadium, and convention districts under RCW 67.38.130.
- (i) If the balance is zero, there is no remaining levy capacity for other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis until the balance is zero. After prorationing, there is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step nine.
- (i) Step nine: Subtract from the remaining levy capacity the levy imposed, if any, for cultural access programs under RCW 36.160.080 until the remaining levy capacity equals zero.

(4) Example.

	T			
DICTRICT	ODICINIAL LEVIV DATE	DD OD ATION EACTOD	FINAL LEVY RATE	REMAINING LEVY
DISTRICT	ORIGINAL LEVY RATE	PRORATION FACTOR	FINAL LEVY KAIE	CAPACITY
County	1.8000	NONE	1.8000	
County Road	2.2500	NONE	2.2500	1.850
Library	.5000	NONE	.5000	
Fire	.5000	NONE	.5000	
Hospital	.5000	NONE	.5000	.350
Fire	.2000	NONE	.2000	.150
Cemetery	.1125	.4138	.0466	
Hospitaĺ	.2500	.4138	.1034	
Totals	6.1125		5.90	

- (a) Beginning with the limit of \$5.90, subtract the original certified levy rates for the county and county road taxing districts leaving \$1.85 available for the remaining districts.
- (b) Subtract the total of the levy rates for each district within the next tier: The library's \$.50, the fire district's \$.50 and the hospital's \$.50 = \$1.50, which leaves \$.35 available for the remaining districts.
- (c) Subtract the fire district's additional \$.20 levy rate, which leaves \$.15 available for the remaining districts.
- (d) The remaining \$.15 must be shared by the cemetery and the hospital districts within the next tier of levies. The cemetery district originally sought to levy \$.1125 and the hospital district sought to levy \$.25. The proration factor is arrived at by dividing the amount available (\$.15) by the original levy rates (\$.3625) requested within that tier resulting in a proration factor of .4138. Finally, the original levy rates in this tier of \$.1125 and \$.25 for the cemetery and hospital, respectively, are multiplied by the proration factor.

AMENDATORY SECTION (Amending WSR 24-02-017, filed 12/21/23, effective 1/21/24)

WAC 458-19-075 Constitutional one percent limit calculation. (1) Introduction. This rule explains how to determine if the constitutional one percent limit is being exceeded and the sequence in which levy rates will be reduced or eliminated in accordance with RCW 84.52.010 if the constitutional one percent limit is exceeded. The constitutional one percent calculation is made after the assessor ensures that the \$5.90 statutory aggregate dollar rate limit is not exceeded. The total amount of all regular property tax levies that can be applied against taxable property is limited to one percent of the true and fair value of the property in money. The one percent limit is stated in Article VII, section 2 of the state Constitution and the enabling statute, RCW 84.52.050. The constitutional one percent limit is based on the amount of taxes actually levied on the true and fair value of the property, not the dollar rate used in calculating property taxes.

- (2) **Preliminary calculations**. After reducing or eliminating the levy rates under RCW 84.52.043 (the \$5.90 statutory aggregate dollar rate limit) has occurred, make the following calculations to determine if the constitutional one percent limit is being exceeded:
- (a) First, add together all regular levy rates in the tax code area, including the rates for the state levy, but not the rates for port and public utility districts, to arrive at a combined levy rate for that tax code area. "Regular levy rates" in this context means the levy rates that remain after reduction or elimination under RCW 84.52.043 has occurred. The levy rates for port and public utility districts are not included in this calculation because they are not subject to the constitutional one percent limit.
- (b) Second, divide \$10 by the higher of the real or personal property ratio of the county for the assessment year in which the levy is made to determine the maximum effective levy rate. If the combined levy rate exceeds the maximum effective levy rate, then the individual levy rates must be reduced or eliminated until the combined levy rate is equal to the maximum effective levy rate.
- (3) Constitutional one percent limit. RCW 84.52.010 provides the order in which levy rates are to be reduced or eliminated when the constitutional one percent limit is exceeded.

As opposed to the order in RCW 84.52.010, which lists the taxing districts that are the first to have their levy rates reduced or eliminated, this rule is written in reverse order; that is, it lists the taxing districts that must be first either fully or partially funded. If the constitutional one percent limit is exceeded, then the levy rates for taxing districts within a particular tier must be reduced or eliminated on a pro rata basis.

If the constitutional one percent limit is exceeded after performing the preliminary calculations described in subsection (2) of this rule, the following levies must be reduced or eliminated until the combined levy rate no longer exceeds the maximum effective levy rate:

- (a) Step one: Subtract the aggregate levy rate calculated for the state for the support of common schools from the effective rate limit.
- (b) Step two: Subtract the levy rates for the county, including the rate of any separate property tax levy as described in RCW

- 84.55.135, county road district, regional transit authority, and for city or town purposes.
- (c) Step three: Subtract from the remaining levy capacity the levy rates for fire protection districts under RCW 52.16.130, regional fire protection service authorities under RCW 52.26.140 (1)(a), library districts under RCW 27.12.050 and 27.12.150, the first 50 cents per \$1,000 of assessed value for metropolitan park districts created before January 1, 2002, under RCW 35.61.210, and the first 50 cents per \$1,000 of assessed value for public hospital districts under RCW 70.44.060(6).
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis from the remaining balance in step two until the balance is zero. After prorationing, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step four.
- (d) Step four: Subtract from the remaining levy capacity the levy rates for fire protection districts under RCW 52.16.140 and 52.16.160, and regional fire protection service authorities under RCW 52.26.140 (1) (b) and (c).
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis from the remaining balance in step three until the balance is zero. After prorationing, there is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step five.
- (e) Step five: Subtract from the remaining levy capacity the levy rate for the first 50 cents per \$1,000 of assessed value of metropolitan park districts created on or after January 1, 2002, under RCW 35.61.210.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levy is reduced to the remaining balance in step four. There is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step six.
- (f) Step six: Subtract from the remaining levy capacity the levy rates for all other junior taxing districts if those levies are not listed in steps three through five or steps seven through 18 of this subsection.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.

- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis to the remaining balance in step five until the balance is zero. After prorationing, there is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step seven.
- (g) Step seven: Subtract from the remaining levy capacity the levy rate for flood control zone districts other than the portion of a levy protected under RCW 84.52.816.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levy is reduced to the remaining balance in step six. There is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step eight.
- (h) Step eight: Subtract from the remaining levy capacity the levy rates for city transportation authorities under RCW 35.95A.100, park and recreation service areas under RCW 36.68.525, park and recreation districts under RCW 36.69.145, except a park and recreation district located on an island and within a county with a population exceeding 2,000,000, and cultural arts, stadium, and convention districts under RCW 67.38.130.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis from the remaining balance in step seven until the balance is zero. After prorationing, there is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step nine.
- (i) Step nine: Subtract from the remaining levy capacity the levy imposed, if any, for cultural access programs under RCW 36.160.080.
- (i) If the balance is zero, there is no remaining levy capacity from any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, the levy is reduced to the remaining balance in step eight. There is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed to step 10.
- (j) Step 10: Subtract from the remaining levy capacity the levy rate for the first 30 cents per \$1,000 for emergency medical care or emergency medical services under RCW 84.52.069.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.

[7] OTS-5773.2

- (ii) If the balance is less than zero, then the levy is reduced to the remaining balance in step nine. There is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step 11.
- (k) Step 11: Subtract from the remaining levy capacity the levy rates for levies used for acquiring conservation futures under RCW 84.34.230, financing affordable housing under RCW 84.52.105, <u>funding for county hospital purposes under RCW 36.62.090</u>, and any portion of a levy rate for emergency medical care or emergency medical services under RCW 84.52.069 in excess of 30 cents per \$1,000 of assessed value.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levies within this tier must be reduced on a pro rata basis from the remaining balance in step 10 until the balance is zero. After prorationing, there is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step 12.
- (1) Step 12: Subtract from the remaining levy capacity the levies imposed under RCW 36.69.145 for a park and recreation district located on an island and within a county with a population exceeding 2,000,000.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the portion of the levy within this tier must be reduced to the remaining balance in step 11. There is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step 13.
- (m) Step 13: Subtract from the remaining levy capacity the portion of the levy by a metropolitan park district with a population of 150,000 or more that is protected under RCW 84.52.120.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the portion of the levy within this tier must be reduced to the remaining balance in step 12. There is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step 14.
- (n) Step 14: Subtract from the remaining levy capacity the levy rates for county ferry districts under RCW 36.54.130.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.

[8] OTS-5773.2

- (ii) If the balance is less than zero, then the levy is reduced to the remaining balance in step 13. There is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step 15.
- (o) Step 15: Subtract from the remaining levy capacity the levy rate for criminal justice purposes imposed under RCW 84.52.135.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levy is reduced to the remaining balance in step 14. There is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step 16.
- (p) Step 16: Subtract from the remaining levy capacity the levy rate for a fire protection district or regional fire protection service authority protected under RCW 84.52.125.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the portion of the levy within this tier must be reduced to the remaining balance in step 15. There is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step 17.
- (q) Step 17: Subtract from the remaining levy capacity the levy rate for transit-related purposes by a county under RCW 84.52.140.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levy is reduced to the remaining balance in step 16. There is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step 18.
- (r) Step 18: Subtract from the remaining levy capacity the protected portion of the levy imposed under RCW 84.52.816 by a flood control zone district until the remaining levy capacity equals zero.
- (i) If the balance is zero, there is no remaining levy capacity for any other junior taxing districts at a lower tier and their levies, if any, must be eliminated.
- (ii) If the balance is less than zero, then the levy is reduced to the remaining balance in step 17. There is no remaining levy capacity for any other junior taxing district at a lower tier and their levies, if any, must be eliminated.
- (iii) If the remaining balance is greater than zero, this amount is available to the remaining junior taxing districts at a lower tier and the assessor should proceed on to step 19.

This rule was adopted November 5, 2024 and becomes effective December 6, 2024. It may be used to determine tax liability on and after the effective date, until the codified version is available from the code reviser's office.

(s) Step 19: Subtract from the remaining levy capacity any portion of a levy resulting from the correction of a levy error under RCW 84.52.085(3) until the remaining levy capacity equals zero.

[10] OTS-5773.2