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:

<table>
<thead>
<tr>
<th>Required forms</th>
<th>Completed by</th>
<th>Submit to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate Excise Tax Affidavit</td>
<td>Seller and buyer</td>
<td>Local county treasurer</td>
</tr>
<tr>
<td>Certification for Self-help Housing Development Exemption Affidavit</td>
<td>Seller</td>
<td>Local county treasurer (Submit with your REET Affidavit)</td>
</tr>
</tbody>
</table>

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.