

Mail Completed Form To:



Washington State Department of Revenue Taxpayer Account Administration PO Box 47464 Olympia, WA 98504-7464

Washington State Department of Revenue Real Estate Excise Tax Affidavit Controlling Interest Transfer Return Chapter 82.45 RCW – CHAPTER 458-61A WAC

This form must be used for reporting transfers of controlling interest and for buyer disclosure to the Department of Revenue. (Use Form No. 84-0001A for reporting transfers by deed or real estate contract to the county treasurer/recorder of the county in which the real property is located.)

1 TRANSFEROR (Attach a list for multiple transferors including percentage sold) Name Street City State Zip Tax Registration Number Federal Identifier Number Percent of Entity Ownership Sold % AFFIDAVIT I certify under penalty of perjury under the laws of the state of Washington that the information on this return is true and correct. Signature of Transferor/Agent Name (print) Date & Place of Signing Telephone Number

2 TRANSFEREE (Attach a list for multiple transferees including percentage bought) Name Street City State Zip Tax Registration Number Federal Identifier Number Percent of Entity Ownership Purchased % AFFIDAVIT I certify under penalty of perjury under the laws of the state of Washington that the information on this return is true and correct. Signature of Transferee/Agent Name (print) Date & Place of Signing Telephone Number

3 Name and address of entity whose ownership was transferred: Name Street City State Zip Tax Registration Number Federal Identifier Number Type of entity (check one): [ ] Corporation [ ] Partnership [ ] Trust [ ] Limited Liability Company

4 Attach a list of names, addresses, and relationships of all entities affected by this transfer.

5 Local REET Tax Calculation Table with columns: A. Location, B. County Tax Parcel No., C. True & Fair Value, D. Local City/County Tax. Includes a Totals row.

6 Is this property predominantly used for timber or agriculture? (See ETA 3215) [ ] Yes [ ] No State REET Tax Calculation Total True & Fair Value \$ Excise Tax: State Less than \$500,000.01 at 1.1% \$ From \$500,000.01 to \$1,500,000 at 1.28% \$ From \$1,500,000.01 to \$3,000,000 at 2.75% \$ Above \$3,000,000 to 3.0% \$ Agricultural and timberland at 1.28% \$ Total Excise Tax: State \$

7 TAX COMPUTATION: Date of Transfer \*If tax exemption is claimed, provide reference to WAC Title and Number below\* Click here for a complete list of acceptable exemptions. (please click on additional links provided for further details on each WAC) If you conclude that one of these exemptions applies to you please reference the Title and WAC number here.

Department of Revenue Use Only

Summary table with rows: State REET Tax (from Section 6).... Local REET Tax (from Section 5).... Total REET Tax..... Delinquent Interest..... Delinquent Penalty..... TOTAL DUE

Please See Information on Reverse

## Instructions

1. Enter the information for all individuals or entities transferring interest, including the percentage of interest transferred. Attach a list of additional transferors' information, if necessary.
2. Enter the information for all individuals or entities receiving interest, including the percentage of interest received. Attach a list of additional transferees' information, if necessary.

Both the transferor(s) and transferee(s) or agent(s) of each must sign the affidavit certifying the accuracy of the information on this return.

3. Enter the information of the entity in which interest transferred. Check the box for the type of entity.
4. Attach a list of all subsidiaries of the transferred entity, including the addresses and relationships of all entities and assessed value of real property they own in Washington.
5. Select the location, local tax rate, parcel number and **true and fair value of all real property\*** (including leasehold interest) in which the transferred entity has an interest. Calculate the local tax and totals.

Location codes and rates can be found using the Local Real Estate Excise Tax Rates publication on our website. Attach a spreadsheet showing additional real property information, if necessary. **If completing this form using the fillable pdf, enter only the location, parcel number and the true and fair value of each parcel. The additional blanks in this section will be automatically calculated.**

6. Mark the appropriate checkbox to determine if the property is predominantly used for timber or agriculture. If more than one parcel is included in the transfer, use the predominant use calculator on our website to determine the correct use. See ETA 3215.2009 for additional information regarding land classifications and predominant use. State REET tax computation: Enter the total true and fair value from the total column C in step 5.

### Example

	Column A	Column B	Column C
Threshold	Amount within threshold amount	State rate	Tax
0 to \$500,000	500,000	1.1%	5,500
500,000.01 - 1,500,000	1,000,000	1.28%	12,800
1,500,000.01 – 3,000,000	100,000	2.75%	2,750
3,000,000.01 and above	0	3.00%	0
<b>Totals</b>	<b>\$1,600,000</b>		<b>\$21,050</b>

**Calculate the state excise tax due using this chart:**

	Column A	Column B	Column C
0 to \$500,000		1.1%	
500,000.01 – 1,500,000		1.28%	
1,500,000.01 – 3,000,000		2.75%	
3,000,000.01 and above		3.0%	
<b>Totals</b>			

7. Enter the date the interest in the entity transferred. Tax is due at the time of transfer. If tax is not paid within one month of the date of transfer, interest and penalties will apply.

The interest rate is variable and may be found on our website at <http://dor.wa.gov/sites/default/files/legacy/Docs/Pubs/Misc/REETInterestRates.pdf>.

Delinquent penalties are 5% one month after the due date; 10% two months after the due date; and 20% three months after the due date. (RCW 82.45.100)

If an exemption from paying the real estate excise tax is being claimed, enter the valid Washington Administrative Code (WAC) Title and Number for the exemption. If a WAC Title and Number are entered, the Total Due will be zero.

### **Real Estate Excise Tax rules and laws:**

For further information about Controlling Interest Transfers, please see the rules and laws located at the following links: <http://apps.leg.wa.gov/RCW/default.aspx?cite=82.45>, <http://apps.leg.wa.gov/WAC/default.aspx?cite=458-61A-101>.

**Audit:**

Information you provide on this form is subject to audit by the Department of Revenue. Underpayments of tax will result in the issuance of a tax assessment with interest and penalties. Note: In the event of an audit, it is the taxpayers' responsibility to provide documentation to support the selling price or any exemption claimed.

**Ruling requests:**

You may request a predetermination of your tax liability. The written opinion will be binding on both you and the Department based on the facts presented ([WAC 458-20-100\(9\)](#)). Send your ruling request to:

**Department of Revenue**  
**Taxpayer Information & Education**  
P.O. Box 47478  
Olympia, WA 98504-7478  
Fax: 360-705-6655  
Email: [dorcommunications@dor.wa.gov](mailto:dorcommunications@dor.wa.gov)

**Perjury:**

Perjury in the second degree is a class C felony which is punishable by confinement in a state correctional institution for a maximum term of five years, or by a fine in an amount fixed by the court of not more than \$10,000, or by both such confinement and fine (RCW 9A.72.030 and RCW 9A.20.021(1)(c)).

**Real Property:**

"Real property" means land or anything affixed to land, including standing timber or crops. Examples: Buildings, condominiums, used park model trailers, used floating homes, underground irrigation systems or utilities, and other types of property that are permanently affixed such as leasehold improvements not required to be removed at the end of your lease. See [WAC 458-61A-102](#) & [WAC 458-61A-106](#) for additional information.

**True and fair value:**

Means market value, which is the amount of money that a willing, but unobliged, buyer would pay a willing, but unobliged, owner for real property, taking into consideration all reasonable, and possible uses of the property. The measure of tax in a controlling interest transfer is the "selling price," which is the true and fair value of the real property owned by the entity at the time the controlling interest is transferred ([WAC 458-61A-101](#)).