



**STATE OF WASHINGTON**  
**DEPARTMENT OF REVENUE**

August 14, 2013

**TO:** All County Assessors

**FROM:** Kathy Beith, Assistant Director  
Property Tax Division 

**SUBJECT: CONFEDERATED TRIBES OF THE CHEHALIS RESERVATION v.  
THURSTON COUNTY BOARD OF EQUALIZATION**

On July 30, 2013, the Ninth Circuit Court issued an opinion in *Confederated Tribes of the Chehalis Reservation v. Thurston County Board of Equalization*, in which the Court addressed whether the Great Wolf Lodge is subject to property tax. The Great Wolf Lodge is owned by CTGW, LLC, an entity in which the Tribe owns 51 percent, and is located on land owned by the United States and held in trust for the Tribe. The Court found in favor of the Tribe, ruling that the permanent improvements that are located on land held in trust, such as the Great Wolf Lodge, are not subject to state or local property tax.

Since the opinion was issued, we have received a number of questions about the application of the decision. We are currently working with the Attorney General's office to review the decision.

While we do not have answers to all of the questions that have been posed at this time, we can answer a few questions regarding the application of the ruling.

- The Court's ruling applies to properties that fit the facts of this case, i.e., permanent improvements with at least 51 percent Tribal ownership and located on land held in trust by the United States are exempt from property tax.
- The ruling only applies to permanent improvements on land owned by the United States and held in trust for an Indian tribe or tribal member. It does not apply to improvements on other Federally-owned land, such as cabins built on leased US Forest Service land.
- The ruling does not apply when improvements are located on land owned in fee by an Indian tribe or tribal member. The land must be owned by the United States and held in trust.

We anticipate providing additional guidance regarding the property tax implications of the ruling before the end of October. In the meantime, it would be helpful to understand the potential impact of the decision. To that end I am requesting that you provide the following information:

1. Number of parcels or accounts that represent permanent improvements that are
  - a. Located on land that is owned by the United States and held in trust for a tribe or tribal member, and
  - b. Owned by an individual or entity other than the Tribe
2. Total current assessed value of the parcels that represent the improvements.

The requested information can be sent to me at the address listed on the bottom of this memo.

**Questions**

Please let me know if you have any questions regarding this memo or any specific questions about the ruling. I can be reached by email at [KathyB@dor.wa.gov](mailto:KathyB@dor.wa.gov) and by phone at (360) 534-1403.

**Property Tax Division**

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