

# **RATIO PROCEDURES MANUAL**



## **FOREWORD**

The Washington State Department of Revenue (Department), in carrying out its statutory responsibilities under *RCW 84.12.350*, *84.48.075*, and *84.48.080*, conducts an annual property tax ratio study of both real and personal property values in each of the 39 counties. Rules relative to this ratio study are found in *chapter 458-53 WAC*. (See Appendix.)

The annual ratio determinations resulting from this study are used primarily in the state levy computation for school funding and for equalizing centrally assessed property values. The procedures described in this manual for the Department's annual ratio study are designed to ensure uniformity and equity in taxation throughout the state to the maximum extent possible.

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**SECTION I**

**RATIO OVERVIEW  
RATIO CALENDAR  
RATIO PROGRESSION**

### **RATIO OVERVIEW**

The Washington State Department of Revenue (Department) is carrying out its statutory responsibilities in conducting annual property tax ratio studies of both real and personal property values in each of the 39 counties.

The ratio study is the Department annual comparison of the relationship between the county assessed values of real and personal property and the market value of those properties. This is accomplished through the Department's analysis of sales, market appraisals, current use appraisals (property classified under *chapter 84.34 RCW*), and audits.

The term "property tax ratio" as used in this manual refers to the relationship between the dollar value placed on taxable property by the county assessor for tax purposes (assessed value) and the full "true and fair value" (market value) of the same property. For example, if the assessed value of a property is \$90,000 and the true and fair value is \$100,000, the property tax ratio is \$90,000 divided by \$100,000, or 90 percent. The assessment ratio (synonymous with property tax ratio or assessment level) for a county is basically an expansion of this concept. It indicates the percentage relationship that exists between the total assessed value of all taxable property in a county and the total true and fair value of such property.

The term "property tax ratio" also refers to the relationship between current use assessed values and current use appraised values for those properties which, by statute, are to be valued for tax purposes at something other than market value.

**RATIO CALENDAR**

**JUNE**

- **A request for information from the *Assessor's Certificate of Assessment Rolls To County Board of Equalization* is sent to all counties.**

Ratio Progression Information	Page I-4
Sample Certificate (WAC 458-53-135)	Appendix

**JULY**

- **Request letters for personal property stratifications are sent to all counties.**

Ratio Progression Information	Page I-4
Data Necessary for Stratification	Page II-1
Sample Letters (WAC 458-53-030)	Appendix

**AUGUST**

- **A request for information from the *Certificate of New Construction Value* is sent to all counties.**

Ratio Progression Information	Page I-4
Sample Certificate (RCW 36.21.080 and 84.40.040)	Appendix

- **A request for real property stratification are sent to all counties, including both valid and invalid sales reports which are due at the close of the new construction roll after August 31.**

Ratio Progression Information	Page I-4
Date Necessary for Stratification	Page II-1
Date Necessary for sales reports	Page II-5, 6
Sample Letter (WAC 458-53-030)	Appendix

**SEPTEMBER/OCTOBER/NOVEMBER/DECEMBER**

- **Preliminary ratio letters are sent to each county for both real and personal property.**

Ratio Progression Information                      Page I-4  
Sample Letter    Appendix  
(WAC 458-53-200)

- **The certification of indicated ratios for both real and personal property is completed.**

Ratio Progression Information                      Page I-4  
Sample Letter    Appendix  
(WAC 458-53-200, 210)

- **All final ratios are given to the Research Division of the Department of Revenue for calculation of combined ratios for each county and equalization of the state school levy.**

Ratio Progression Information                      Page I-5  
(RCW 84.48.080)

## **RATIO PROGRESSION**

### **JUNE**

The Ratio Specialist requests information from the *Assessor's Certificate of Assessment Rolls to the County Board of Equalization*. There are three certification forms available; Form REV 64 0051 is used for certifying both real and personal property together, OR real and personal property can be certified separately using forms REV 64 0052 and REV 64 0054.

### **JULY**

The Ratio Specialist mails out Personal Property stratification request letters to county assessors. Data in the *stratification reports* is used to (1) calculate next year's ratios and (2) select samples for audits for the following year's ratio study.

Information from the *Assessor's Certificate of Assessment Rolls to the County Board of Equalization* form is due.

### **AUGUST**

The Ratio Specialist mails out current use property stratification letters to those counties that qualify for a separate current use stratum.

The Ratio Specialist requests information from the *Certificate of New Construction Value* form REV 64 0059.

The Ratio Specialist mails out real property stratification request letters to all county assessors. The real property letter also includes a reminder that the valid and invalid sales reports will be due at the close of tax rolls and the close of the new construction roll for the current year.

### **SEPTEMBER**

Valid and invalid sales reports are due to the Department.

The *Certificate of New Construction Value* information is due from the counties at the close of new construction.

### **SEPTEMBER/OCTOBER/NOVEMBER/DECEMBER**

The Ratio Specialist reviews the valid and invalid reports for adherence to guidelines and calculates the preliminary ratio after the reports have been accepted.

After calculation, preliminary ratio letters are sent to each county for both real and personal property. The assessor has two weeks to request a review. After two weeks, if a review has not been requested, the ratio is finalized.

Once the preliminary ratios are accepted, final ratio letters are sent informing them of the final ratios for real and personal property. The assessor may receive these at different times depending on when the reports are received and the calculations are completed.



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After the final ratio letters for both real and personal property have been sent to a county, the Utility Valuation Section of the Department's Property Tax Division has an internal notification system signaling to equalize the utility values in that county. This equalization process cannot be started until both the real and personal property ratios have been finalized for a county.

When all counties have received both the real and personal property final ratios, those figures are given to the Research Division of the Department. The Research Division calculates a combined ratio for each county. If the Ratio Specialist has not received all of the reports needed from each county by December 1, he/she has the authority to use facts and information in a manner the Department deems appropriate to estimate the value of each class of property to calculate the real property ratios for those affected counties for the purpose of equalizing the state school levy (see *RCW 84.48.080*).

**SECTION II**

**REPORTS:  
STRATIFICATION OF REAL PROPERTY ASSESSMENT ROLL  
SALES REPORT GUIDELINES  
(VALID & INVALID SALES)**

## **STRATIFICATION OF ASSESSMENT ROLL**

### **Stratification - Uses for ratio study**

The stratification process is the grouping of property within each county into classifications based on certain criteria in order to obtain representative samples. The real property stratification report is used in selecting appraisals to be included in the following year's ratio study as well as for the current year's ratio calculation. The county's most current certified assessment roll is used for stratification. Counties shall stratify real property rolls using a land use code stratification system and stratify by value classes as prescribed by the Department.

### **Stratification - Parcel count and total value (Exclusions)**

The stratification of the real property assessment roll shall include a parcel count and a total value of the taxable real property parcels in each stratum excluding the following:

- (a) Designated forest lands *chapter 84.33 RCW* and timberland classified under *chapter 84.34 RCW (see RCW 84.34.060)*
- (b) State-owned game lands as defined in *RCW 77.12.203 (2)*
- (c) Current use properties in those counties where a separate study is conducted pursuant to *WAC 458-53-095 (3)*
- (d) State assessed properties
- (e) Exempt properties
- (f) Senior citizen freeze properties shall be summarized separately (see page IV-3)

### **Stratification - By County**

For the real property ratio study, the assessment roll shall be stratified for individual counties according to land use categories and sub-stratified by value classes as determined by the Department. Stratification shall be reviewed at least every other year by the Department to determine if changes need to be made to improve sampling criteria. After the strata have been determined, the Department shall notify the counties of the strata limits and each county shall provide the Department with the following information taken from the county's assessment roll:

- (a) A representative number of samples, as determined by the Department, in each stratum, together with:
  - (i) The name and address of the taxpayer for each sample
  - (ii) The land use code for each sample
  - (iii) The current assessed value for each sample
  - (iv) The prior year's assessed value of each sample
  - (v) The actual number of samples
- (b) The total number of real property parcels in each stratum
- (c) The total assessed value in each stratum

### **Counties to provide information timely**

The stratification information described in *WAC 458-53-030 (3)* is to be provided by the counties to the Department in a timely manner to enable the Department to certify the preliminary ratios in accordance with *WAC 458-53-200 (1)*. Failure to provide the information in a timely manner will result in the Department using its best estimate of stratum values to calculate the real property ratio.

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The following two digit land use codes shall be used as the standard to identify the actual use of the land. Counties may elect to use a more detailed land use code system using additional digits; however, no county land use code system may use fewer than the standard two digits.

### **RESIDENTIAL**

- 11 Household, single family units
- 12 Household, 2-4 units
- 13 Household, multi-units (5 or more)
- 14 Residential condominiums
- 15 Mobile home parks or courts
- 16 Hotels/motels
- 17 Institutional lodging
- 18 All other residential not elsewhere coded
- 19 Vacation and cabin

### **MANUFACTURING**

- 21 Food and kindred products
- 22 Textile mill products
- 23 Apparel and other finished products made from fabrics, leather, and similar materials
- 24 Lumber and wood products (except furniture)
- 25 Furniture and fixtures
- 26 Paper and allied products
- 27 Printing and publishing
- 28 Chemicals
- 29 Petroleum refining and related industries
- 30 Rubber and miscellaneous plastic products
- 31 Leather and leather products
- 32 Stone, clay, and glass products
- 33 Primary metal industries
- 34 Fabricated metal products
- 35 Professional scientific and controlling instruments; photographic and optical goods; watches and clocks-manufacturing
- 36 Not presently assigned
- 37 Not presently assigned
- 38 Not presently assigned
- 39 Miscellaneous manufacturing

### **TRANSPORTATION, COMMUNICATION AND UTILITIES**

- 41 Railroad/transit transportation
- 42 Motor vehicle transportation
- 43 Aircraft transportation
- 44 Marine craft transportation
- 45 Highway and street right of way
- 46 Automobile parking

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- 47 Communication
- 48 Utilities
- 49 Other transportation, communication, and utilities not classified elsewhere

### **TRADE**

- 50 Condominiums – other than residential condominiums
- 51 Wholesale trade
- 52 Retail trade - building materials, hardware, and farm equipment
- 53 Retail trade - general merchandise
- 54 Retail trade - food
- 55 Retail trade - automotive, marine craft, aircraft, and accessories
- 56 Retail trade - apparel and accessories
- 57 Retail trade - furniture, home furnishings, and equipment
- 58 Retail trade - eating and drinking
- 59 Other retail trade

### **SERVICES**

- 61 Finance, insurance and real estate services
- 62 Personal services
- 63 Business services
- 64 Repair services
- 65 Professional services
- 66 Contract construction services
- 67 Governmental services
- 68 Educational services
- 69 Miscellaneous services

### **CULTURAL, ENTERTAINMENT AND RECREATIONAL**

- 71 Cultural activities and nature exhibits
- 72 Public
- 73 Amusements
- 74 Recreational activities
- 75 Resorts and group camps
- 76 Parks
- 77 Not presently assigned
- 78 Not presently assigned
- 79 Other cultural, entertainment, and recreational

### **RESOURCE PRODUCTION AND EXTRACTION**

- 81 Agriculture (not classified under current use law)
- 82 Agriculture related activities
- 83 Agriculture classified under current use *chapter 84.34 RCW*
- 84 Fishing activities and related services
- 85 Mining activities and related services
- 86 Marijuana grow operations
- 87 Not presently assigned

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- 88 Designated forest land *chapter 84.33 RCW*
- 89 Other resource production

### **UNDEVELOPED LAND AND WATER AREAS**

- 91 Undeveloped land
- 92 Noncommercial forest
- 93 Water areas
- 94 Open space land classified under *chapter 84.34 RCW*
- 95 Timberland classified under *chapter 84.34 RCW*
- 96 Not presently assigned
- 97 Not presently assigned
- 98 Not presently assigned
- 99 Other undeveloped land

Stratification of the assessment roll, the annual sales summary, and the abstract report to the Department will be based on the following abstract categories:

### **ABSTRACT CATEGORY**

### **LAND USE CODE**

- |  |   |
|--|---|
| 1. Single family residence               | 11, 14, 18, 19                            |
| 2. Multiple family residence             | 12, 13,                                   |
| 3. Manufacturing                         | 21 through 39                             |
| 4. Commercial                            | 15, 16, 17, 41-49, 50-59,<br>61-69, 71-79 |
| 5. Agricultural                          | 81  |
| 6. Agricultural (current use law)        | 83  |
| 7. Forest lands <i>chapter 84.33 RCW</i> | 88  |
| 8. Open space (current use law)          | 94  |
| 9. Timberland (current use law)          | 95  |
| 10. Other                                | 82, 84-86, 89, 91-93, 96-99               |

**SALES REPORT GUIDELINES**

**VALID SALES**

Sales reports shall be submitted to the Department as soon as possible following the close of the new construction roll on August 31 *WAC 458-53-100 (5)*. Values should be updated to reflect all changes in the current assessment year prior to running sales reports.

The sales study will use sales occurring in the 12 month period between \*\*May 1 preceding January of the current assessment year and April 30th of the current assessment year *WAC 458-53-070 (2)*.

There shall be two reports submitted to the Department:

- (1) Report of valid sales**
- (2) Report of invalid sales**

The **report of valid sales** shall include the following information for each valid sale:  
*WAC 458-53-100*

- (a) The real estate excise tax affidavit number
- (b) The parcel number(s) or other file identification number(s)
- (c) The date of the sale \*\*
- (d) The sale price of the transaction
- (e) The sale price of the transaction reduced by one percent
- (f) Land use code for the sale property
- (g) The current assessed value on the county's assessment roll for the sale property
- (h) The prior year's assessed value of the sale property.
- (i) The transfer instrument (i.e. SWD, B & S Deed, etc.)
- (j) A ratio determined by dividing the current year's assessed value by the adjusted sale price (the adjusted sale price is the amount determined in item (e) of this subsection)

Included in this report will be a summary of valid sales data. This summary of the sales information will be arranged according to the land use categories and assessed value strata designated for each county by the Department. The summary shall include:

- (a) The total number of sales
- (b) The total assessed value of all sale property
- (c) The total adjusted sale price of all sales
- (d) The total average assessed value
- (e) The total average adjusted sale price

\*\*Based on the document date listed on the affidavit

**INVALID SALES**

The **report of invalid sales** shall include the following information for each invalid sale:  
*WAC 458-53-100*

- (a) The real estate excise tax affidavit number
- (b) The parcel number(s) or other file identification number(s)
- (c) The date of sale
- (d) The sale price of the transaction
- (e) The sale price of the transaction reduced by one percent
- (f) The land use code for the sale property
- (g) The current assessed value on the county's assessment roll for the sale property
- (h) The prior year's assessed value for the sale property
- (i) The transfer instrument (i.e. SWD, B & S Deed, etc.)
- (j) A ratio determined by dividing the current year's assessed value by the adjusted sale price (the adjusted sale price is the amount determined in (e) of this subsection)
- (k) The appropriate numerical code (see *WAC 458-53-080*) or the matching description of the reason for determining that the sale was invalid. If numerical code #27 is used, there shall be a description of the reason for determining that the sale was invalid

Sales or transfers of real property involving instruments other than a warranty deed, statutory warranty deed, or real estate contract shall not be considered in the sales study but should be identified on the invalid sales report. Mobile/Manufactured homes on leased land shall not be included in the valid sales report, but shall be identified in the invalid sales report. Sales of mobile home on fee land shall be considered valid unless research indicates the sale should be invalidated under one of the 27 codes. The following types of sales transactions are examples of sales to be excluded from the sales study, regardless of the type of instrument used. Differences from the numerical coding designations set forth in this example may be used by individual counties with prior approval from the Department. However, alternate codes must correspond with one of the 27 codes listed here, and the Department must be supplied with the cross-reference listing of the codes from each county prior to or at the time the valid and invalid sales reports are submitted. Individual Senior Freeze sale properties shall be invalidated under code #27 with the appropriate comment. The total value of all Senior Freeze Properties will be ratioed in a separate stratum (see page IV-3).

**NUMERICAL  
CODE**

**TYPE OF TRANSACTION**

- |   |  |
|---|--|
| 1 | Family - a sale between relatives                                |
| 2 | Transfers within a corporation by its affiliates or subsidiaries |
| 3 | Administrator, guardian, or executor of an estate                |
| 4 | Receiver or trustee in bankruptcy or equity                      |
| 5 | Sheriff or Bailee  |
| 6 | Tax deed   |
| 7 | Properties exempt from taxation (nonprofit, government, etc.)    |



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8	Individual sales with assessment-to-sales ratios of less than 25 percent or greater than 175 percent except as provided in <i>WAC 458-53-070</i>
9	Quitclaim deed
10	Gift deed; love and affection deed
11	Seller's or purchaser's assignment of contract or deed - transfer of interest
12	Correction deed
13	Trade - exchange of property between same parties
14	Deeds involving partial interest in property, such as one-third or one-half interest (If transfer involves total interest, i.e., 100 percent of the property, the sale is valid.)
15	Forced sales - transfers in lieu of imminent foreclosure, condemnation, or liquidation
16	Easement or right-of-way
17	Deed in fulfillment of contract
18	Property physically improved after sale
19	Timber or forest land
20	Bare lots platted within the twelve-month time period described in <i>WAC 458-53-070 (2)</i> , with less than 20 percent sold
21	Plottage - when a larger unit of land is being assembled and an adjoining property is sold at a price significantly different from the price of property of a similar type
22	\$1,000 sale or under
23	Lease - assignment, option, leasehold
24	Classified as "Current Use" under <i>chapter 84.34 RCW</i> as of date of sale
25	Change of use where rezoning takes place
26	Current year segregations that have not been appraised
27	Other - necessary to identify reason

**SECTION III**

**INVALIDATION CODE CLARIFICATIONS**

## **INVALIDATION CODE CLARIFICATIONS**

WAC 458-53-080 (2) states that sales or transfers of real property involving instruments other than a warranty deed or real estate contract shall not be considered in the sales study. This means that all other instruments (e.g., Quit Claim Deeds, Love and Affection, Purchasers Assignment of Contract & Deed, etc.) should be invalidated using the appropriate invalidation code and should appear in your invalid sales listing.

Listed below and on the following pages are some of the other legitimate invalidation codes listed in the WAC rules with some clarification on when they may be utilized.

### **#1 Family - A sale between relatives**

An Assessor or appraiser may want it included because they determined that the property was on the market and the sale constitutes an arms-length transaction.

*Problems:* (1) *It creates a uniformity problem between counties.*  
(2) *It may require lengthy investigation by the Department of Revenue.*  
(3) *It is unlikely that a family sale with a low ratio would be included in the valid sales report.*

For state ratio purposes, any sale involving family members should be invalidated under invalidation code #1. However, if it is not apparent from the affidavit that the sale involves family members (e.g., Seller - Smith, Purchaser - Jones) and research is done to determine that family members are involved in the sale, invalidate the sale under code #27 with the information that it is a family sale so that a comment will be included (e.g., father to daughter).

### **#3 Administrator, guardian or executor of an estate**

*Problem:* *See family problems above.*

For state ratio purposes, any estate sales shall be invalidated under code #3.

### **#4 Receiver or trustee in bankruptcy or equity**

This invalidation code shall be used when a property is being transferred to, or between lenders as a result of a foreclosure or bankruptcy where no excise tax is being paid.

### **#7 Properties exempt from taxation (non-profit, government, etc.)**

This invalidation code shall be utilized if either the purchaser or the seller is an exempt entity. In many counties, exempt properties have a fairly low priority in terms of keeping them assessed at market value, so, if they were to sell, the ratio would be skewed. In the other circumstance (where the purchaser is the exempt entity), there are often situations where someone has property adjacent to a church or a school and decides to sell to that church or school for less than market value. Fannie Mae and Freddie Mac are quasi-governmental organizations and exempt from paying excise tax when they sell. You should also use code #7 for these transactions to invalidate the sale.

**#8 Individual sales with assessment-to-sales ratios of less than 25 percent or greater than 175 percent except as provided in WAC 458-53-070**

WAC 458-53-070 says that if the number of individual sales meeting either one or both of these criteria exceeds 5 percent of the total number of valid sales for a county, then these sales shall be considered in the valid sales study.

In many cases when counties have come close to this limit, further research determined that the sales could have been invalidated using one of the other 26 invalidation codes. It is important to be aware of the ramifications of using this particular invalidation code too often.

WAC 458-53-070 (4)(b) states that “the exclusion of valid sales in accordance with this subsection shall not apply to sales of property on which there is new construction value that has not yet been placed on the county assessment roll.”

**#14 Deeds involving partial interest in property, such as one-third or one-half interest**

(If transfer involves total interest, i.e., 100 percent of the property, the sale is valid.)

*Problem: These sales will often be deleted even though, when taken together, 100 percent of the property is sold and the sales should therefore be considered valid. This can easily be overlooked, so be aware of this situation.*

If the sale involved 100 percent of the property, the ratio would be based on the total assessed value of the property interests and the total sale price.

**#15 Forced sales - transfers in lieu of imminent foreclosure, condemnation, or liquidation**

*Problem: This can be used too loosely. The circumstances should be thoroughly researched and specific. Divorce is usually not a reason to invalidate a sale. If research determines that there were extenuating circumstances (e.g., average market time for a property in your county is six months, but the court has said that the property must be sold within 90 days), the information must be documented.*

This code should not be used for bank foreclosures where the lender is receiving the property back due to non-payment. There may be a dollar amount on the excise affidavit but that dollar amount is the balance of the mortgage and all incurred cost associated with foreclosing on the property. Excise tax is also not paid on the transfer to the lender. Code #4 should be used for foreclosures.

**#17 Deed in fulfillment of contract**

In many instances involving a fulfillment of contract deed, the selling price was established sometime in the past and does not reflect current market value. These sales are usually identified as Fulfillment Deed/SWD on the excise affidavit and no excise tax is being paid since it was paid when the original contract was recorded.

### **#18 Property physically improved after sale**

*Problem:* This code is sometimes used improperly when the improvement was made before the sale, but the county did not pick up the new construction. In this case, for state ratio purposes, the sale should be considered a valid transaction and included in the study unless it can be invalidated with one of the other 26 codes.

The only time that invalidation code #18 may be used is when the circumstances of the sale are exactly as stated in the invalidation code title; i.e., the property is physically improved after the sale. The ratios on sales invalidated with this code are checked during the Department's review process of the invalid sales report. The ratio should typically be over 100 percent, with the idea that the property was somehow physically improved after the sale and therefore the assessed value would be higher than the sale price. If the ratio is significantly lower than 100 percent, the sale should be reviewed prior to the report being sent to the Department to determine if (1) the sale is a valid one, or (2) another invalidation code is applicable.

Examples:

- (1) *Property sells as unimproved land. Purchaser builds a new home on the land. Assessor picks up new construction. Land sale shall be invalidated under code #18.*
- (2) *Property sells with a building. After the sale, the owner adds a garage or some other new construction. Assessor adds new construction to roll and invalidates sale under code #18.*

A sale may not be invalidated if there was new construction (with or without a permit) prior to the property selling and, for whatever reason; the new construction was not picked up.

Examples:

- (1) *Property sells with a new house on it, and the sale reflects the value of the new house. At the close of new construction, the building has not been added to the roll, and the parcel still reflects just the land value. Sale may not be invalidated under code #18 or #8.*
- (2) *Property sells with house that has a new addition (or remodel). The previous owner did not acquire a building permit at the time of the addition (or remodel), and the Assessor only became aware of the addition upon investigating the sale. Because the addition occurred prior to the sale, the Assessor may not invalidate under code #18 or #8. Sale is considered valid for state ratio purposes.*

### **#19 Timber or forest land**

This invalidation code applies only to designated or current use forest land.

If a sale involves timber that is not designated, classified, or current use, and there is sufficient evidence that the sale involves significant timber value, it may be invalidated under code #27 along with the comment that timber value is included in the sale price.

**#20 Bare lots platted within the 12-month time period**

(May 1 preceding January of the current assessment year through April 30 of the current assessment year), with less than 20 percent sold WAC 458-53-070 (2).

**#21 Plottage**

When a larger unit of land is being assembled and an adjoining property is sold at a price significantly different from the price of property of a similar type.

Examples:

- (1) *When a commercial project requires a certain amount of property to accommodate the particular development, the developer may be willing to pay other than market value to acquire some of the parcels.*
- (2) *A building site does not meet set-back or septic requirements. In order for the site to be useable, the owner must purchase an adjacent parcel and will often pay other than market value.*

This code should be used only when it can be demonstrated that the sale price is significantly different than the market value of similar property.

**#25 Change of use where rezoning takes place**

This can also apply to properties which have recently been annexed if annexation resulted in a change of use due to rezoning.

**#26 Current year segregations that have not been appraised**

Problem: *This invalidation code is sometimes applied when the affidavit is first reviewed, but, when the newly created properties are appraised, the invalidation code is inadvertently left on.*

Be aware of your in-house processing procedures on segregations. If, at the close of the roll, the segregation process has been completed with new parcel numbers, legal descriptions, and assessed values which accurately reflect what was sold, code #26 would not apply. In this case the sale should be considered a valid sale unless it is invalidated with other code.

**#27 Other - necessary to identify reason**

Problem: *This tends to be a catch-all. Reason must be identified.*

A comment is required when using this particular invalidation code. If comments are not included, the Department will not accept the report until comments are added.

Some examples of when invalid code #27 shall be utilized (along with documentation):

- (1) Bank owned sale
- (2) Relocation sales
- (3) Living trusts
- (4) 1031 Exchanges
- (5) Individual Senior Freeze Property sales (See pg. IV-3)

Sometimes county appraisers “know” that a sale is not an arms-length transaction because it sold for more or less than what similar properties are selling for. These sales need to be investigated to determine if other circumstances or conditions were involved. “Uninformed buyer” under reason #27 should be used only in a strict and limited situation where reliable evidence is available because sales usually occur either above or below estimated market value and rarely are the same as estimated market value.

As stated above, a comment is always required when utilizing invalidation code #27. In many counties there were concerns about the ability to incorporate this into their existing systems. In those cases, a supplemental report addressing sales invalidated with code #27 must include a corresponding identifier (i.e., parcel number or excise number) and comments along with the invalid sales reports.

Reports submitted without comment for invalidation code #27 will require additional data to be provided by the county. This will result in delays for ratio calculations for that county until appropriate information is supplied.

Another area of concern is sales involving multiple parcels with one sale price. These sales are considered valid under some circumstances and invalid under other circumstances.

For a multiple parcel sale to be considered valid, the parcels should be adjacent or close to each other. It should also be likely that the “market” would purchase these separate properties as one unit.

Examples:

- (1) *A shopping mall could consist of several parcels that include retail buildings, pad sites, parking areas, etc.; however, the property would likely be marketed as a single property.*
- (2) *A downtown office building may have a building on one parcel with an adjacent parking garage on a separate parcel. The parking, if an essential requirement of the downtown location, would be a necessary component of marketability, thus the two parcels would be perceived as a single unit.*

A situation where multiple properties selling with one sale price would be considered invalid might be when a property owner has several properties in the county and decides to sell all of them as one sale. They are not adjacent; however one purchaser buys a number of them and the sale price is carried on a single affidavit. If the sale is unique and these properties would not likely be transferred as a single unit in a “typical” market, the sale should be invalidated under code #27 with comments on the circumstances. Another example would be the contractor who purchases ten adjacent building sites in a subdivision to build new homes. It would probably be a once in a lifetime event that those ten properties would sell together, and you would be assessing them at their highest and best use as individual sites. Therefore they may be invalidated under code #27 with the appropriate comments.

**Priority of Invalidation Codes** Other than invalidation code #8 (Individual sales with assessment-to-sales ratios of less than 25 percent or greater than 175 percent except as provided in WAC 458-53-070), which has the five percent ceiling, and invalidation code #27, which requires comments and documentation (and more research on the county's part), there is no particular priority in the use of invalidation codes when a sale meets more than one of the invalidation criteria. Only one code is necessary (and preferred) to invalidate a sale. Upon review of the affidavit, if an appropriate invalidation code is obvious (i.e., Quit Claim Deed, Love & Affection Deed, Purchasers Assignment of Contract and Deed) and no further research is required, it is recommended that the corresponding invalidation code be used.

Caution must always be exercised when making decisions about invalidating sales which may not meet our expectations of market value. Sometimes sales analysts or appraisers "discover" certain unique circumstances which "explain" why a buyer paid "too much" or "too little" for a property and discard (invalidate) the sale for any number of reasons.

Some things must be taken into account:

- (1) Although property values for similar properties cluster around an average, values seldom display complete uniformity.
- (2) Unique circumstances related to the specific sale accompany almost all transactions, including many that are believed to be "market value".

For example, just because a property sells to someone other than a local buyer for a higher price than is believed to be warranted does not mean that it is not an arms-length transaction or that it should be removed from the pool of valid sales. Often this type of sale is balanced on the low price spectrum of sales by purchasers who get "good deals".

**Erroneous affidavits** Questions have arisen regarding the erroneous information on the Real Estate Tax Affidavit form. This includes inaccurate sale prices being reported or the erroneous declaration of personal property values on the affidavit. We urge the counties to call this to our attention so that (1) we can correct any data we use, and (2) we can forward this information to the appropriate auditing division.

**Personal property involved in sale** All sales are adjusted by one percent to reflect non-reported personal property commonly included in sales such as appliances, furnishings, lawnmowers, etc. Sales which are known to include excessive amounts of personal property should be investigated and either invalidated with a code #27 and a comment "included personal property" or after verification the sales price can be adjusted to reflect the value of the personal property. To make an adjustment the value of the personal property must be shown on the Real Estate Excise Tax Affidavit and verified for reasonableness. One example of determining if the amount of personal property shown on the excise tax affidavit is reasonable is to compare it to the assessed value of the associated personal property account.

**Before Sending your Valid and Invalid Sales Report to DOR:**

- Review sales dates to make sure sales from May 1 of previous year through April 30 of current year are represented in both the valid and invalid sales reports.
- Review summary reports (for valid sales stratum) to make sure numbers are calculating correctly (for example, the total assessed value and total appraised value divided by the



number of sales in the stratum are accurate. Make sure sales price total represents the adjusted (.99) sale price.

- Review valid and invalid sales reports to make sure land use codes belong in the stratum (i.e. there shouldn't be any sales with commercial land use codes showing up in the SFR stratum).
- Review individual ratios in the valid sales reports to make sure they seem reasonable (no 700% ratios, etc.) I may see some low ratios in the valid sales reports, but they could be the results of new construction that wasn't picked up. Per *WAC 458-53-070 (4) (b)*, sales that involve new construction that wasn't picked up are considered valid sales for state ratio purposes.
- Make sure that any sales invalidated with a code #8 (ratio less than 25% or over 175%) have ratios that meet that criteria.
- Count up the total number of times invalidation code #8 (the 25%/175% one) was used and compare it to the total number of valid sales in the reports. If the percentage is greater than 5%, per *WAC 458-53-070 (4)* the invalidated sales are to be put back into the appropriate valid sales reports.
- Review sales coded with a #18 (Property Physically Improved After the Sale) to make sure ratios seem reasonable (normally greater than 100%).
- Make sure any sales invalidated with an invalidation code #24 (Classified as Current Use under chapter 84.34) has a correct land use code for utilization of this invalidation.
- Make sure any sales invalidated with a code #19 have a timber land or forest land use code.
- Review any sales invalidated with a code #27 to ensure a comment was included and to make sure the comment seems reasonable for invalidation purposes.
- Make sure the invalidation code is a valid code number (1-27). If not, you must supply along with your sales report to the department, information on what the code means and it must reference one of the Department's 27 codes.

**SECTION IV**

**REAL PROPERTY RATIO STUDY:**

**REAL PROPERTY ROLL STRATIFICATION**

**REAL PROPERTY RATIO CALCULATION**

**MANUFACTURED HOMES**

**SENIOR FREEZE PROPERTIES**

**CURRENT USE COUNTIES**

## **REAL PROPERTY ROLL STRATIFICATION**

The real property ratio is determined through the use of valid sales as shown in the valid sales report in your county and if necessary, random sample appraisals performed by the Department. In June prior to the ratio year, a stratification request letter is sent to the counties asking for:

- 1) Stratification of the assessment roll based on land use codes (as determined by the Department) with some sub-stratification by value.
- 2) Various summary data on stratum account values and numbers.

The strata in which real property appraisals will be performed are based on insufficiency of sales. If there are enough valid sales in any particular stratum, appraisals will not be necessary.

If there are not enough valid sales in any particular stratum, properties to be appraised are selected randomly from the stratification provided by the county. "In order to determine which strata do not have sufficient sales to produce a representative sample of the level of assessment, the Department shall review a county's prior year's sales studies" *WAC 458-53-130 (1)*.

## **REAL PROPERTY RATIO CALCULATION**

Once the properties are appraised, reviews of the appraisals are scheduled between the Department and the assessor (or the person from the county designated by the assessor). Reviews cannot be scheduled until the county has closed its real property roll. The Department requests the reviews be scheduled no later than three weeks after the completed appraisals are given to the assessor. Late roll closure and/or inability to schedule reviews in a timely manner results in delays in the ratio process.

When the reviews have been completed and the appraisal review letter signed, the values are sent to the Ratio Specialist for inclusion in the calculation of the real property ratio. The appraisals are combined with the valid sales for the sales collection period. Ratios for each strata are weighted by the assessed value for each respective strata.

Once the preliminary ratio is sent to the assessor, the assessor has two weeks to ask for a review of the preliminary ratio (not to be confused with the review of the appraisals mentioned earlier).

If the assessor asks for a review, it is scheduled and held, followed by a determination and mailing of the final ratio.

If no review is requested by the assessor, a final ratio will be sent after the indicated two weeks have elapsed.

**MANUFACTURED HOMES (MOBILE HOMES)**  
**USE IN RATIO STUDY**

*RCW 84.04.090 states in part “The term real property shall also include a mobile home which has substantially lost its identity as a mobile unit by virtue of its being permanently fixed in a location upon land owned or leased by the owner of the mobile home and placed on a permanent foundation (posts or blocks) with fixed pipe connections with sewer, water, or other utilities.”*

The value of mobile homes on leased land, meeting the criteria as outlined in *RCW 84.04.090* above should be included in the stratum totals for the county. However, mobile homes on leased land are considered invalid sales for state ratio purposes and should be invalidated with code #27 with a comment: MH on leased land.”

If a manufactured (mobile) home situated on land owned by the owner of the mobile home, meeting the criteria as outlined in *RCW 84.04.090* sells and the county carries the mobile and land on the tax roll as separate parcels, the combined assessed values of the accounts will be used in the ratio calculation.

Example:

<u>Real Property Account #</u>	<u>Parcel Identity</u>	<u>Assessed Value</u>	<u>Sale Price</u>	<u>Ratio</u>
362501-2-058-2006	land	\$ 25,000		
9000-000-568-0003	mobile home	<u>\$ 75,000</u>		
<i>Total</i>		\$ 100,000	\$ 120,000	.8333

## **SENIOR FREEZE PROPERTIES**

Senior freeze real property parcels are treated as a separate stratum and receive a ratio of 100 percent, much like designated forest land. Any individual sale of Senior Freeze property occurring during the sales study of May 1 of the previous year to April 30 of the current year should be invalidated under code #27 as it will be ratioed in the stratum total. This will require that:

For the *stratification reports*, senior freeze properties will be “extracted” from their customary strata, summarized by value and parcel count, and thereby omitted from normal stratification.

## **CURRENT USE COUNTIES**

*WAC 458-53-095 (3) & AC 458-53-135 (5)*

If 15 percent or more of the county’s locally assessed real property land and improvement value is classified under chapter *84.34 RCW* (except timber land), that class of property shall be separately stratified and appraised for the ratio. The purpose of the separate stratum is to ensure a representative sample of the real property accounts in the county. If there are less than 15 percent of these properties in your county, current use parcels will be included in same stratum with other non-current use agricultural property in the county.

In our June current use stratification letter\* you will be asked to separately stratify current use land and improvement parcels if your county meets the 15 percent minimum threshold. Based on the Department’s randomly selected appraisals of these parcels, a separate ratio shall be applied to the total assessed value of (1) improvements on current use land and (2) current use land in the real property ratio calculation.

\*See Appendix for example of June current use stratification letter

**SECTION V**

**PERSONAL PROPERTY RATIO STUDY:**

**PERSONAL PROPERTY ROLL STRATIFICATION  
PERSONAL PROPERTY RATIO CALCULATION**

**PERSONAL PROPERTY ROLL STRATIFICATION**

*WAC 458-53-140*

Because sales are not included in the personal property ratio as they are with real property, calculating the ratio is less labor intensive. Samples are randomly selected for audit from the pool of personal property accounts. Whereas the real property ratio is calculated utilizing current year assessed values, the personal property ratio is based on the previous year's assessed values.

In June prior to the ratio year, a stratification request letter is sent to the counties asking for:

- 1) Information on every Nth parcel in a stratum, to provide a pool of properties from which to randomly select audits for that stratum.
- 2) Various data on stratum account values and number of accounts.

The basis for a county's personal property ratio shall be accounts selected at random from the preceding year's assessment roll at the January 1 assessed value.

Determination of strata for each county shall be made by the Department to ensure the selection of a representative audit sample and will be reviewed periodically. After the strata have been determined, the Department shall notify the county of the strata limits, and each county shall provide the Department with the following information from the county's assessment roll:

- (a) A representative number of samples, as determined by the Department, in each stratum, together with:
  - (i) The name and address of the taxpayer for each sample
  - (ii) The assessed value for each sample
  - (iii) The actual number of samples in each stratum
- (b) The total number of personal property accounts in each stratum
- (c) The total assessed value in each stratum

If the Department discovers omitted property in a county, the results of the Department's audit shall be included in the ratio study.

**PERSONAL PROPERTY RATIO CALCULATION**

After the samples are selected and audited to determine value, reviews of the audits are scheduled between the Department and the assessor (or the person from the county designated by the assessor). The Department requests the reviews be scheduled no later than three weeks after the completed audits are given to the assessor. Not being able to schedule these in a timely manner has resulted in delays in the entire ratio process. Working on personal property ratios in late fall overlaps the real property ratio process, taking time needed by the ratio specialist to complete the real property ratios.

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When the reviews have been completed and the audit review letter signed, the values are forwarded to the ratio specialist for calculation of the personal property ratio. *WAC 458-53-160* After the preliminary ratio is sent to the assessor, the assessor has two weeks to ask for a review of the preliminary ratio (not to be confused with the review of the audits mentioned earlier).

If the assessor asks for a review, it is scheduled and held, followed by a determination and mailing of the final ratio.

If no review is requested by the assessor, a final ratio will be sent after the indicated two weeks have elapsed.



**APPENDIX**

**PROPERTY TAX ANNUAL RATIO STUDY**  
*chapter 458-53 WAC*

**WAC SECTIONS**

- 458-53-010 Declaration of purpose.
- 458-53-020 Definitions.
- 458-53-030 Stratification of assessment rolls -- Real property.
- 458-53-050 Land use stratification, sales summary and abstract report.
- 458-53-070 Real property sales studies.
- 458-53-080 Real property sales sample selection.
- 458-53-095 Property values used in the ratio study.
- 458-53-100 County generated sales studies.
- 458-53-105 Review procedures for county studies.
- 458-53-130 Real property appraisal studies.
- 458-53-135 Indicated real property ratio -- Computation.
- 458-53-140 Personal property ratio study.
- 458-53-160 Indicated personal property ratio -- Computation.
- 458-53-200 Certification of county preliminary and indicated ratios -- Review.
- 458-53-210 Appeals.

**WAC 458-53-010 Declaration of purpose.** This chapter is promulgated by the department of revenue in compliance with RCW [84.48.075](#) to describe procedures for determination of indicated ratios of real and personal property for each county, so as to accomplish the equalization of property values required by RCW [84.12.350](#), [84.16.110](#), [84.48.080](#) and [84.52.065](#). The procedures in this chapter describing the department's annual ratio study are designed to ensure uniformity and equity in property taxation throughout the state to the maximum extent possible.

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-010, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.48.075](#). 79-11-029 (Order PT 79-3), § 458-53-010, filed 10/11/79. Formerly WAC [458-52-010](#).]

**WAC 458-53-020 Definitions.** Unless the context clearly requires otherwise, the following definitions apply throughout this chapter:

- (1) "Account" means a listing of personal property as shown on the county assessment record.
- (2) "Advisory value" means a valuation determination by the department, made at the request of a county assessor.
- (3) "Appraisal" means the determination of the market value of real property, or for real property classified under chapter [84.34](#) RCW, the

determination of the current use value.

- (4) "Assessed value" means the value of real or personal property determined by an assessor.
- (5) "Audit" means the determination of the market value of personal property.
- (6) "Average assessed value" is the total assessed value of a sample group of real or personal property divided by the number of properties in the sample group.
- (7) "Average personal property market value" is the total value of a sample group as determined from personal property audits divided by the number of audits in the sample group.
- (8) "Average real property market value" is the total sales price, less one percent, of a sample group of real property divided by the number of properties in the sample group, or the total appraised value of a sample group of real property divided by the number of appraisals in the same group.
- (9) "Department" means the department of revenue.
- (10) "Land Use Code" means the identification of each real property parcel by numerical digits as representations of the major use of the property. The Land Use Code is derived from the Standard Land Use Coding Manual as prepared by the Federal Bureau of Public Roads and includes use classifications specified by state law.
- (11) "Market value" means the amount of money a buyer of property willing but not obligated to buy would pay a seller of property willing but not obligated to sell, taking into consideration all uses to which the property is adapted and might in reason be applied. True and fair value is the same as market value or fair market value.
- (12) "Personal property" means all taxable personal property required by law to be reported by a taxpayer.
- (13) "Ratio" is the percentage relationship of the assessed value of real or personal property to the market value of real or personal property.
- (14) "Ratio study" is the department's annual comparison of the relationship between the county assessed values of real and personal property with the market value of that property as determined by the department's analysis of sales, appraisals, and/or audits or the comparison of the relationship between the county assessed values of real property classified under chapter [84.34](#) RCW (current use) with the current use value of that property as determined by the department.
- (15) "Real property" means all parcels of taxable real

property as shown on the county assessment record.

(16) "Sales study" is the comparison of the assessed value of real property with the selling price of the same property.

(17) "Strata" refer to classes of property grouped by assessed value and/or use categories.

(18) "Stratification" means the grouping of the real or personal property assessment records into specific assessed value and/or use categories for ratio sampling and calculation purposes.

(19) "Stratum" refers to a grouping of property with a given range of assessed values and/or having the same use category.

(20) "Valid sale(s)" means a sale of real property that occurs between May 1 preceding January of the current assessment year and April 30 of the current assessment year, and the transfer document is a warranty deed or real estate contract, and the sale is not a type listed in WAC [458-53-080](#)(2).

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-020, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.48.075](#) and [84.08.010](#)(2). 89-09-021 (Order PT 89-5), § 458-53-020, filed 4/12/89. Statutory Authority: RCW [84.48.075](#). 79-11-029 (Order PT 79-3), § 458-53-020, filed 10/11/79. Formerly WAC [458-52-020](#).]

### **WAC 458-53-030 Stratification of assessment rolls -- Real property.**

(1) **Introduction.** This rule explains the stratification process for real property. The stratification process is the grouping of real property within each county into homogeneous classifications based upon certain criteria in order to obtain representative samples. Stratification is used in determining the number of appraisals to be included in the ratio study and also for ratio calculation. The county's most current certified assessment rolls are used for stratification. Counties must stratify rolls using a land use code stratification system as prescribed by the department. (See RCW [36.21.100](#).)

(2) **Stratification -- Parcel count and total value -- Exclusions.** The stratification of the real property assessment rolls must include a parcel count and a total value of the taxable real property parcels in each stratum, excluding the following:

- (a) Designated forest lands. (See chapter [84.33](#) RCW);
- (b) Timberland classified under chapter [84.34](#) RCW. (See RCW [84.34.060](#));
- (c) Current use properties in those counties where a separate study is conducted pursuant to WAC [458-53-095](#)(3);
- (d) State assessed properties; and
- (e) State-owned game lands as defined in RCW [77.12.203](#)(2).

(3) **Stratification -- By county.** For the real property

ratio study, the assessment roll must be stratified for individual counties according to land use categories and substratified by value classes as determined by the department. Stratification will be reviewed at least every other year by the department to determine if changes need to be made to improve sampling criteria. After the strata have been determined, the department will notify the counties of the strata limits, and each county must provide the department with the following, taken from the county's assessment rolls:

- (a) A representative number of samples, as determined by the department, in each stratum, together with:
  - (i) The name and address of the taxpayer for each sample;
  - (ii) The land use code for each sample;
  - (iii) The previous year's assessed value for each sample.
  - (iv) The current year's assessed value for each sample; and
  - (v) The actual number of samples;
- (b) The total number of real property parcels in each stratum; and
- (c) The total assessed value in each stratum for both the previous year and the current year.

(4) **Counties to provide information timely.** The stratification information described in subsection (3) of this rule must be provided by the counties to the department in a timely manner to enable the department to certify the preliminary ratios in accordance with WAC [458-53-200](#)(1). Failure to provide the information in a timely manner will result in the department using its best estimate of stratum values to calculate the real property ratio.

(5) **Standard two-digit land use code.** The following two-digit land use code will be used as the standard to identify the actual use of the land.

Counties may elect to use a more detailed land use code system using additional digits, however, no county land use code system may use fewer than the standard two digits.

### RESIDENTIAL

- 11 Household, single family units
- 12 Household, 2-4 units
- 13 Household, multi-units (5 or more)
- 14 Residential condominiums
- 15 Mobile home parks or courts
- 16 Hotels/motels
- 17 Institutional lodging
- 18 All other residential not elsewhere coded
- 19 Vacation and cabin

### MANUFACTURING

- 21 Food and kindred products

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- 22 Textile mill products
- 23 Apparel and other finished products made from fabrics, leather, and similar materials
- 24 Lumber and wood products (except furniture)
- 25 Furniture and fixtures
- 26 Paper and allied products
- 27 Printing and publishing
- 28 Chemicals
- 29 Petroleum refining and related industries
- 30 Rubber and miscellaneous plastic products
- 31 Leather and leather products
- 32 Stone, clay and glass products
- 33 Primary metal industries
- 34 Fabricated metal products
- 35 Professional scientific, and controlling instruments; photographic and optical goods; watches and clocks-manufacturing
- 36 Not presently assigned
- 37 Not presently assigned
- 38 Not presently assigned
- 39 Miscellaneous manufacturing

## TRANSPORTATION, COMMUNICATION, AND UTILITIES

- 41 Railroad/transit transportation
- 42 Motor vehicle transportation
- 43 Aircraft transportation
- 44 Marine craft transportation
- 45 Highway and street right of way
- 46 Automobile parking
- 47 Communication
- 48 Utilities
- 49 Other transportation, communication, and utilities not classified elsewhere

## TRADE

- 50 Condominiums - other than residential condominiums
- 51 Wholesale trade
- 52 Retail trade - building materials, hardware, and farm equipment
- 53 Retail trade - general merchandise
- 54 Retail trade - food
- 55 Retail trade - automotive, marine craft, aircraft, and accessories
- 56 Retail trade - apparel and accessories
- 57 Retail trade - furniture, home furnishings and equipment
- 58 Retail trade - eating and drinking
- 59 Other retail trade

## SERVICES

- 61 Finance, insurance, and real estate services
- 62 Personal services
- 63 Business services
- 64 Repair services
- 65 Professional services

- 66 Contract construction services
- 67 Governmental services
- 68 Educational services
- 69 Miscellaneous services

## CULTURAL, ENTERTAINMENT AND RECREATIONAL

- 71 Cultural activities and nature exhibitions
- 72 Public assembly
- 73 Amusements
- 74 Recreational activities
- 75 Resorts and group camps
- 76 Parks
- 77 Not presently assigned
- 78 Not presently assigned
- 79 Other cultural, entertainment, and recreational

## RESOURCE PRODUCTION AND EXTRACTION

- 81 Agriculture (not classified under current use law)
- 82 Agriculture related activities
- 83 Agriculture classified under current use chapter [84.34 RCW](#)
- 84 Fishing activities and related services
- 85 Mining activities and related services
- 86 Not presently assigned
- 87 Not presently assigned
- 88 Designated forest land under chapter [84.33 RCW](#)
- 89 Other resource production

## UNDEVELOPED LAND AND WATER AREAS

- 91 Undeveloped land
- 92 Noncommercial forest
- 93 Water areas
- 94 Open space land classified under chapter [84.34 RCW](#)
- 95 Timberland classified under chapter [84.34 RCW](#)
- 96 Not presently assigned
- 97 Not presently assigned
- 98 Not presently assigned
- 99 Other undeveloped land

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#), and [84.48.075](#). 02-14-031, § 458-53-030, filed 6/24/02, effective 7/25/02; 96-05-002, § 458-53-030, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.08.010](#) and [84.08.070](#). 91-01-008, § 458-53-030, filed 12/6/90, effective 1/6/91. Statutory Authority: RCW [84.48.075](#) and [84.08.010](#)(2). 89-09-021 (Order PT 89-5), § 458-53-030, filed 4/12/89. Statutory Authority: RCW [84.48.075](#). 86-21-004 (Order PT 86-6), § 458-53-030, filed 10/2/86; 84-14-039 (Order PT 84-2), § 458-53-030, filed 6/29/84; 79-11-029 (Order PT 79-3), § 458-53-030, filed 10/11/79. Formerly WAC [458-52-030](#).]

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**WAC 458-53-050 Land use stratification, sales summary and abstract report.** Stratification of the assessment rolls, the annual sales summary, and the abstract report to the department for real property will be based on the following abstract categories:

<b>Abstract Category</b>	<b>Land Use Code</b>
1. Single family residence	11, 14, 18, 19
2. Multiple family residence	12, 13
3. Manufacturing	21 through 39
4. Commercial	15, 16, 17, 41-49, 50-59, 61-69, 71-79
5. Agricultural	81
6. Agricultural (current use law)	83
7. Forest lands (chapter <a href="#">84.33</a> RCW)	88
8. Open space (current use law)	94
9. Timberland (current use law)	95
10. Other	82, 84, 85, 89, 91,92, 93, 96-99

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#), and [84.48.075](#). 02-14-031, § 458-53-050, filed 6/24/02, effective 7/25/02; 96-05-002, § 458-53-050, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.48.075](#). 79-11-029 (Order PT 79-3), § 458-53-050, filed 10/11/79. Formerly WAC [458-52-040](#).]

**WAC 458-53-070 Real property sales studies.** (1) **Sales study data.** The basis of the real property ratio study is data obtained from real estate excise tax affidavits from each county. The department will supplement the sales study with appraisals when it is determined that the sales are insufficient to represent the level of assessment. The appraisals will be selected according to criteria set forth in WAC [458-53-130](#).

(2) **Time period for data used.** The sales study will use sales occurring in the twelve-month period between May 1 preceding January of the current assessment year and April 30 of the current assessment year.

(3) **Deduction from sale price.** One percent will be deducted from the sale price shown on all valid real estate excise tax affidavits as an adjustment for values transferred that are not assessable as real property.

(4) **Sales not included in the study -- Assessment rolls using other than market value -- New construction.** Individual sales that show a sale price to assessed value ratio of under twenty-five percent, or over one hundred seventy-five percent shall be excluded from consideration in the study. However, if the number of individual sales meeting either one of these criteria exceeds five percent of the total number of valid sales for a county, then these sales shall be considered in the sales study.

(a) The exclusion of valid sales in accordance with this subsection shall not apply in situations where other than market value of a particular type of property is being listed on the assessment rolls of the county, as disclosed in any examination by the department. If other than market value is being listed on the assessment rolls for a particular type of real or personal property and, after notification by the department, is not corrected, the department shall adjust the ratio of that type of property, which adjustment shall be used in determining the county's indicated personal or real property ratio. When a particular type of property is found to be at other than market value, that type of property shall be separated from the other properties in the computation of the ratio. The department shall compile the total assessed value and total market value for that type of property, and it shall be included in the ratio as provided in WAC [458-53-135](#)(3) and [458-53-160](#)(3).

(b) The exclusion of valid sales in accordance with this subsection shall not apply to sales of property on which there is new construction value that has not yet been placed on the county assessment roll.

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-070, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.48.075](#) and [84.08.010](#)(2). 89-09-021 (Order PT 89-5), § 458-53-070, filed 4/12/89. Statutory Authority: RCW [84.48.075](#). 83-16-050 (Order PT 83-2), § 458-53-070, filed 8/1/83; 82-08-061 (Order PT 82-3), § 458-53-070, filed 4/6/82; 79-11-029 (Order PT 79-3), § 458-53-070, filed 10/11/79. Formerly WAC [458-52-060](#).]

**WAC 458-53-080 Real property sales sample selection.** (1) **Sales included.** Except as provided in subsection (2) of this section, the sales study shall consider all transactions involving a warranty deed or a real estate contract that occurred during the twelve-month period described in WAC [458-53-070](#)(2). Sales of mobile homes located on land owned by the owner of the mobile home shall also be included in the real property ratio study when the mobile home meets the definition of real property as defined in RCW [84.04.090](#). Sales of mobile homes on leased land should be included in the invalid sales report utilizing a code 27 and the comment "MH on leased land". In the case of a county generated sales study (see WAC [458-53-100](#)), the county may use a representative sample of all such transactions with prior written approval of the department.

(2) **Sales excluded.** Sales or transfers of real property involving instruments other than a warranty deed or real estate contract shall not be considered in the sales study. The following types of sales transactions are examples of sales to be excluded from the sales study, regardless of the type of sale instrument used.

# Ratio Procedures Manual

Differences from the numerical coding designations set forth in this example may be used by individual counties with prior approval from the department.

## NUMERICAL

CODE	TYPE OF TRANSACTION
1	Family - a sale between relatives.
2	Transfers within a corporation by its affiliates or subsidiaries.
3	Administrator, guardian or executor of an estate.
4	Receiver or trustee in bankruptcy or equity.
5	Sheriff or Bailee.
6	Tax deed.
7	Properties exempt from taxation (nonprofit, government, etc.).
8	Individual sales with assessment-to-sales ratios of less than twenty-five percent or greater than one hundred seventy-five percent except as provided in WAC <a href="#">458-53-070</a> .
9	Quitclaim deed.
10	Gift deed; love and affection deed.
11	Seller's or purchaser's assignment of contract or deed - transfer of interest.
12	Correction deed.
13	Trade - exchange of property between same parties.
14	Deeds involving partial interest in property, such as one-third or one-half interest. (If transfer involves total interest i.e., one hundred percent of the property, sale is valid.)
15	Forced sales - transfers in lieu of imminent foreclosure, condemnation or liquidation.
16	Easement or right of way.
17	Deed in fulfillment of contract.
18	Property physically improved after sale.
19	Timber or forest land.
20	Bare lots platted within the 12-month time period described in WAC <a href="#">458-53-070</a> (2), with less than twenty percent sold.
21	Plottage - when a larger unit of land is being assembled and an adjoining property is sold at a price significantly different from the price of property of a similar type.
22	\$1,000 sale or under.
23	Lease - assignment, option, leasehold.
24	Classified as "current use" under chapter <a href="#">84.34</a> RCW as of date of sale.
25	Change of use where rezoning takes place.
26	Current year segregations that have not been appraised.
27	Other - necessary to identify reason.

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-080, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.48.075](#). 84-14-039 (Order PT 84-2), § 458-53-080, filed 6/29/84; 83-16-050 (Order PT 83-2), § 458-53-

080, filed 8/1/83; 79-11-029 (Order PT 79-3), § 458-53-080, filed 10/11/79.]

**WAC 458-53-095 Property values used in the ratio study.** The following property values shall be included in the ratio study:

(1) **Assessed values.** Values determined by county assessors according to the provisions of chapters [84.40](#) RCW (Listing of property) and [84.41](#) RCW (Revaluation of property).

(2) **Forest land values.** Values of forest land classified or designated under chapter [84.33](#) RCW and values of timberland classified under chapter [84.34](#) RCW.

(3) **Current use values.** Values of land (except timber land) and improvements classified under chapter [84.34](#) RCW (current use assessment). Values of land (except timber land) and improvements classified under chapter [84.34](#) RCW shall be included as a separate class for counties when those values equal or exceed fifteen percent of the total assessed value of locally assessed real property in the county.

(4) **Advisory values.** Advisory values supplied to the assessor by the department, but only if the property falls within the sales study provided for in WAC [458-53-070](#) or [458-53-100](#) or is selected in the appraisal or audit study in accordance with WAC [458-53-130](#) and [458-53-140](#).

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-095, filed 2/8/96, effective 3/10/96.]

**WAC 458-53-100 County generated sales studies.**

(1) **Sales data provided by county.** Sales data provided to the department by counties in accordance with these rules and subject to audit by the department, shall be used by the department to determine the indicated real property ratio. The data provided shall be in the form of two reports, a report consisting of data from valid sales, and a report listing those sales deemed to be invalid.

(2) **Report of valid sales.** The county generated sales report consisting of data from valid sales shall include the following information for each valid sale:

- The real estate excise tax affidavit number.
- The transfer instrument type.
- The parcel number(s), or other file identification number(s).
- The date of sale.
- The sale price of the transaction.
- The sale price of the transaction reduced by one percent.
- The land use code for the sale property.
- The current assessed value on the county's assessment roll for the sale property.
- The previous year's assessed value.

(j) A ratio determined by dividing the current year's assessed value by the adjusted sale price (the adjusted sale price is the amount determined in (f) of this subsection).

(3) **Summary of valid sales data.** The county generated sales report shall also contain a summary of the sales information arranged according to land use categories and assessed value strata designated by the department for each county. The summaries for each stratum shall include:

- (a) The total number of sales;
- (b) The total assessed value of all sale property;
- (c) The total adjusted sale price for all sales;
- (d) The total average assessed value; and
- (e) The total average adjusted sale price.

(4) **Report of invalid sales.** The county generated sales report consisting of data from invalid sales shall include the following information for each invalid sale:

- (a) The real estate excise tax affidavit number.
- (b) The transfer instrument type.
- (c) The parcel number(s), or other file identification number(s).
- (d) The date of sale.
- (e) The sale price of the transaction.
- (f) The sale price of the transaction reduced by one percent.
- (g) The land use code for the sale property.
- (h) The current assessed value on the county's assessment roll for the sale property.
- (i) The previous year's assessed value.
- (j) A ratio determined by dividing the assessed value by the adjusted sale price (the adjusted sale price is the amount determined in (f) of this subsection).
- (k) The appropriate numerical code (see WAC [458-53-080](#)) or the matching description of the reason for determining that the sale was invalid. If numerical code number 27 is used, the reason for determining that the sale was invalid shall be described.

(5) **Sales report -- When submitted.** The county generated sales report shall be submitted as soon as possible following the close of the assessment rolls on May 31st and, for sales of property involving new construction, as soon as possible following August 31st.

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-100, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.48.075](#) and [84.08.010](#)(2). 89-09-021 (Order PT 89-5), § 458-53-100, filed 4/12/89. Statutory Authority: RCW [84.48.075](#). 84-14-039 (Order PT 84-2), § 458-53-100, filed 6/29/84; 83-16-050 (Order PT 83-2), § 458-53-100, filed 8/1/83; 82-08-061 (Order PT 82-3), § 458-53-100, filed 4/6/82; 79-11-029 (Order PT 79-3), § 458-53-100, filed 10/11/79.]

### **WAC 458-53-105 Review procedures for county studies.** (1) **Department to monitor compliance.**

The department shall review a sales assessment study produced by a county in order to monitor compliance with the rules in this chapter.

(2) **Elements to be verified.** Elements of the county sales study that may be verified include, but are not limited to:

- (a) Property identification;
- (b) Land use code classification;
- (c) Properties reported on real estate excise tax affidavits that were transferred using a warranty deed or real estate contract;
- (d) Sales month identification;
- (e) Deletion practices and identification;
- (f) Computation procedures, including whether the sales value used was one hundred percent or whether the sales value was reduced by one percent;
- (g) Sales and assessment values; and
- (h) Revaluation assessment practices.

(3) **Findings to be discussed with assessor.** Ratio study review findings will be discussed with the individual county assessor and/or the assessor's staff upon completion of the department's review. Any errors in data or procedure discovered shall be corrected for the current and future year's studies. [Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-105, filed 2/8/96, effective 3/10/96.]

### **WAC 458-53-130 Real property appraisal studies.**

(1) **Review of prior year's sales.** In order to determine which strata do not have sufficient sales to produce a sales sample representative of the level of assessment, the department shall review a county's prior year's sales studies. This review will determine the number of appraisals necessary to be added to the sales sample.

(2) **Selection of properties for appraisal.** The properties to be appraised by the department shall be selected on a statistically accepted random basis such as stated numerical sequence or random number tables.

(3) **Department appraisals.** Appraisals conducted by the department shall include a physical appraisal of the subject property in order to assure that the most accurate estimate of market value is determined, and shall not be conducted on the basis of mass appraisal techniques. The value determined will be the value as of January 1 of the assessment year, or for appraisals involving new construction, the value as of July 31.

(4) **Review with county.** The department shall review completed appraisals with the assessor and/or the assessor's staff. After the review is complete, the appraisals shall be included with the sales data for computation of the real property ratio.

**(5) Allocation of real and personal property values.** Allocation of value between real and personal property of the total value of appraised property for purposes of the ratio study will be determined using each assessor's method of classifying real and personal property.

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-130, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.48.075](#). 86-21-004 (Order PT 86-6), § 458-53-130, filed 10/2/86; 84-14-039 (Order PT 84-2), § 458-53-130, filed 6/29/84; 79-11-029 (Order PT 79-3), § 458-53-130, filed 10/11/79. Formerly WAC [458-52-070](#).]

**WAC 458-53-135 Indicated real property ratio -- Computation.**

**(1) Determination of ratio for assessed value strata.** For each real property stratum, average assessed value and average market value shall be determined from the results of selected sales and appraisal studies. The average assessed value of the samples for each stratum divided by the average market value of the samples determines the ratio for each assessed value stratum.

**(2) Determination of indicated market value.** The actual total assessed value for each stratum divided by the ratio for each assessed value stratum, as determined by using the calculation set forth in subsection (1) of this section, determines the indicated market value of each stratum for the county.

**(3) Addition of county assessed values for current use and forest land -- Assessor's certification of values.** The county assessed values of current use land and improvements (chapter [84.34](#) RCW) and forest land (chapter [84.33](#) RCW) as indicated on the current certification provided by the assessor to the county board of equalization are added to the actual total assessed value for the county. Ratios for current use land and improvements and for forest land are applied to the county assessed values to determine indicated market values.

(a) A copy of the assessor's certification to the board of equalization shall be filed with the department by July 15th, or when the rolls for the current assessment year are completed, whichever is later. The certification form shall be properly completed with all required information.

(b) If a copy of the assessor's certification is not received from an assessor prior to September 1, the assessor's abstract of assessed values for the current year may be used, when available. If not available, the assessed values from the abstract of the previous year may be used.

**(4) Determination of county indicated ratio.** The sum total of the county assessed values is divided by the sum of the indicated market values to determine the county indicated real property ratio.

**(5) Example.** The following illustration, using simulated values and ratios, indicates simplified ratio study computation procedures for real property.



## Ratio Procedures Manual

### STEP 1 STRATUM AVERAGE VALUE & RATIO COMPUTATIONS

Type of Land Use	Stratum	Number of Samples	Average Assessed Value of Samples	Average Market Value of Samples	Stratum Ratio
SINGLE FAMILY RESIDENCE	0 - 75,000	400	\$ 35,000	\$ 45,000	77.8
	75,000 - 150,000	400	100,000	125,000	80.0
	150,000 - +	100	195,000	230,000	84.8
MULTI-FAMILY RESIDENCE	0 - 125,000	40	50,000	60,000	83.3
	125,000 - +	15	225,000	265,000	84.9
	COMMERCIAL/	40	140,000	165,000	84.8
MANUFACTURING	500,000 - +	25	2,000,000	2,350,000	85.1
AGRICULTURAL	0 - 125,000	35	60,000	65,000	92.3
	125,000 - +	35	300,000	330,000	90.9
OTHER	0 - 100,000	75	30,000	36,000	84.0
	100,000 - +	40	250,000	290,000	86.2

### STEP 2 APPLICATION OF STRATUM RATIOS TO ACTUAL COUNTY ASSESSED VALUES

Type of Land Use	Stratum	(1) Actual County Real Property Assessed Value	(2) Ratio	(3) County Market Value Related to Actual Assessed Value Col. 1 ÷ Col. 2
SINGLE FAMILY RESIDENCE	0 - 74,999	\$500,000,000	77.8	\$642,673,522
	75,000 - 149,999	250,000,000	80.0	312,500,000
	150,000 - +	250,000,000	84.8	294,811,321
MULTI-FAMILY RESIDENCE	0 - 124,999	85,000,000	83.3	102,040,816
	125,000 - +	65,000,000	84.9	76,560,660
	COMMERCIAL/	245,000,000	84.8	288,915,094
MANUFACTURING	500,000 - +	200,000,000	85.1	235,017,626
AGRICULTURAL	0 - 124,999	110,000,000	92.3	119,176,598
	125,000 - +	95,000,000	90.9	104,510,451
OTHER	0 - 99,999	90,000,000	84.0	107,142,857
	100,000 - +	75,000,000	86.2	87,006,961
CURRENT USE LAND (CHAPTER <a href="#">84.34</a> RCW)		125,500,000	95.2	131,827,731
CURRENT USE IMP (CHAPTER <a href="#">84.34</a> RCW)		50,000,000	84.0	59,523,810
FORESTLAND (CHAPTER <a href="#">84.33</a> RCW) AND TIMBERLAND (CHAPTER <a href="#">84.34</a> RCW)		2,950,000	100.0	2,950,000
		\$2,143,450,000		\$2,564,657,447 = 83.6

(6) **Department may consider general trends in property values.** The department may consider the relationship between the market value trends of real property and the assessed value increases or

decreases made by the assessor during the year in each county as checks of the validity of the results of the sales and appraisal studies. The assistant director of the property tax division of the department may

authorize modification of the results of the sales and appraisal study in any county where there is a demonstrable showing by an assessor to the assistant director that the sales and appraisal study is inconclusive or does not result in a reasonable and factual determination of the relationship of assessed values to market value such that a significant variation results from the previous year not deemed by the assistant director to conform with general trends in property values.

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-135, filed 2/8/96, effective 3/10/96.]

### **WAC 458-53-140 Personal property ratio study.**

(1) **Introduction.** This rule provides information about the personal property ratio study, including the basis for a county's personal property ratio, the determination of strata for each county, and the effect of the discovery of omitted property on the ratio study.

(2) **Basis for personal property ratio.** The basis for a county's personal property ratio will be valuation data with respect to personal property from the three years preceding the current assessment year.

(3) **Stratification of rolls.** Determination of strata for each county will be made by the department to ensure the selection of a representative audit sample and will be reviewed periodically. After the strata have been determined, the department will notify the counties of the strata limits and each county must provide the department with the following, taken from the county's assessment rolls:

- (a) A representative number of samples, as determined by the department, in each stratum, together with:
  - (i) The name and address of the taxpayer for each sample;
  - (ii) The previous year's assessed value for each sample;
  - (iii) The current year's assessed value for each sample; and
  - (iv) The actual number of samples;
- (b) The total number of personal property accounts in each stratum; and
- (c) The total assessed value in each stratum for both

the previous and the current years.

(4) **Omitted property.** If the department discovers omitted property in a county, the results of the department's audit will be included in the ratio study. [Statutory Authority: RCW [84.08.010](#), [84.08.070](#), and [84.48.075](#). 02-14-031, § 458-53-140, filed 6/24/02, effective 7/25/02; 96-05-002, § 458-53-140, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.48.075](#). 84-14-039 (Order PT 84-2), § 458-53-140, filed 6/29/84; 79-11-029 (Order PT 79-3), § 458-53-140, filed 10/11/79. Formerly WAC [458-52-080](#).]

### **WAC 458-53-160 Indicated personal property ratio -- Computation.**

(1) **Determination of ratio for assessed value strata.** For each personal property assessed value stratum, excluding properties identified in WAC [458-53-070](#) (4)(a), an average assessed value, and an average market value shall be determined from the results of selected audit studies. The average assessed value for each stratum divided by the average market value determines the ratio for each assessed value stratum.

(2) **Determination of indicated market value.** The actual total assessed value of the county for each stratum divided by the ratio for each assessed value stratum, as determined by using the calculation set forth in subsection (1) of this section, determines the indicated market value of each stratum for the county.

(3) **Additional categories.** The actual county total assessed values of properties identified in WAC [458-53-070](#) (4)(a) are added as a separate category to the total county assessed value. A ratio determined for these properties is applied against the total assessed value for the category to determine the indicated total market value for the category.

(4) **Determination of county indicated ratio.** The sum of the actual total county assessed values is divided by the sum of the indicated market values to determine the county indicated personal property ratio.

(5) **Example.** The following illustration, using simulated values and ratios, indicates the ratio computation procedures for personal property.

## Ratio Procedures Manual

### STEP 1 - STRATUM AVERAGE VALUE AND RATIO COMPUTATIONS

Stratum	(1) Number of Samples	(2) Average Assessed Value of Samples	(3) Average Market Value of Samples	(4) Stratum Ratio (Col. 2 ÷ Col. 3)
\$ 0 - 74,999	25	\$ 17,000	\$ 22,000	.773
75,000 - 249,999	15	124,000	235,000	.528
Over - 250,000	10	850,000	960,000	.885

### STEP 2 - APPLICATION OF STRATUM RATIOS TO ACTUAL COUNTY ASSESSED VALUES

Stratum	(1) Actual County Personal Property Assessed Values	(2) Ratio	(3) County Market Value Related to Actual Assessed Value (Col. 1 ÷ Col. 2)
\$ 0 - 74,999	\$21,500,000	.773	\$ 27,813,713
75,000 - 249,999	23,000,000	.528	43,560,606
Over - 250,000	50,000,000	.885	56,497,175
WAC <a href="#">458-53-070</a> (4)(a) Properties	0		0
Totals	\$94,500,000		÷ \$127,871,499 = 73.9

County Indicated  
Personal Property Ratio

73.9%

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-160, filed 2/8/96, effective 3/10/96; 94-05-064, § 458-53-160, filed 2/11/94, effective 3/14/94. Statutory Authority: RCW [84.48.075](#). 87-12-029 (Order PT 87-5), § 458-53-160, filed 5/29/87; 86-21-004 (Order PT 86-6), § 458-53-160, filed 10/2/86; 84-14-039 (Order PT 84-2), § 458-53-160, filed 6/29/84; 79-11-029 (Order PT 79-3), § 458-53-160, filed 10/11/79. Formerly WAC [458-52-100](#).]

**WAC 458-53-200 Certification of county preliminary and indicated ratios -- Review.**

(1) **Preliminary ratio certified to assessor.** The department shall annually determine the real property and personal property preliminary ratios for each county and shall certify these ratios to the county assessor on or before the first Monday in September.

(2) **Request for review.** Upon request of the assessor, a landowner, or an owner of an intercounty public utility or private car company, the department shall review the county's preliminary ratio with the requesting party and may make any changes indicated by such review. This review shall take place between the first and third Mondays of September. If the department does not certify the preliminary ratios as required by subsection (1) of

this section, the review period shall extend for two weeks from the date of certification.

(3) **Review exclusions.** For the personal property ratio study the prior year's audit results shall not be subject to review.

(4) **Certification of indicated ratios.** Prior to equalization of assessments pursuant to RCW [84.48.080](#) and after the third Monday of September, the department shall certify to each county assessor the indicated real and personal property ratios for that county.

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-200, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.48.075](#). 84-14-039 (Order PT 84-2), § 458-53-200, filed 6/29/84; 79-11-029 (Order PT 79-3), § 458-53-200, filed 10/11/79. Formerly WAC [458-52-140](#).]

**WAC 458-53-210 Appeals.** If an assessor, landowner, or owner of an intercounty utility or private car company has reviewed the ratio study as provided in WAC [458-53-200](#), that person or company may appeal the department's indicated ratio determination, as certified for that county, to the state board of tax appeals pursuant to RCW [82.03.130](#)(5). The appeal to the state board of tax appeals must be

## Ratio Procedures Manual

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filed not later than fifteen days after the date of mailing of the certification.

[Statutory Authority: RCW [84.08.010](#), [84.08.070](#) and [84.48.075](#). 96-05-002, § 458-53-210, filed 2/8/96, effective 3/10/96. Statutory Authority: RCW [84.48.075](#). 84-14-039 (Order PT 84-2), § 458-53-210, filed 6/29/84; 79-11-029 (Order PT 79-3), § 458-53-210, filed 10/11/79. Formerly WAC [458-52-150](#).

**Sample**

June 2, 2014

**TO:** All County Assessors

**FROM:** Mark Studer, Ratio Specialist  
Property Tax Division

**SUBJECT: CERTIFICATION OF ASSESSMENT ROLLS FOR LOCALLY ASSESSED PROPERTY**

Enclosed are Forms REV 64 0051-1, [Assessor's Certificate of Assessment Rolls to County Board of Equalization](#) , 64 0052 [Assessor's Certificate of Real Property Assessment Roll to County Board of Equalization](#), and 64 0054 [Assessor's Certificate of Personal Property Roll to County Board of Equalization](#).

**What you need to do**

- Carefully review the definition sheet (page 2 of form) prior to completing the form.
- Complete the form.

Be sure to verify that the figure in item 8 (Total County Locally Assessed Value) represents the sum of the values of items 6 (Total Taxable Assessed Value of Real Property) and 7 (Personal Property Assessed Value).

- Send copies of the completed form to your county board of equalization and the Department of Revenue by July 15, 2014, or for the counties with a 60 day appeal period August 15. If you have not closed your rolls by July 15, complete the form and send copies as soon as the rolls are closed. Send the Department's copy to:

Department of Revenue  
Property Tax Division  
PO Box 47471  
Olympia, WA 98504-7471

**Do not include new construction on this form**

New construction will be reported on Form REV 64 0059 (Certificate of New Construction Value). I will send that form out about August 15, and it will be due by September 15.

If you have any questions, please call me at (360) 534-1400.

Enclosure

Assessor's Certificate of Assessment Rolls
to the County Board of Equalization

State of Washington )
)
ss. )
)
County )

I, \_\_\_\_\_, Assessor do solemnly swear that the assessment rolls and this certificate contain a correct and full list of all the real and personal property subject to taxation in this county for the assessment year 20\_\_\_\_, so far as I have been able to ascertain the same; and that the assessed value set down in the proper column, opposite the several kinds and descriptions of property, is in such case, except as otherwise provided by law, one hundred percent of true and fair value of such property, to the best of my knowledge and belief, and that the assessment rolls and this certificate are correct, as I verily believe. The assessment valuation of locally assessed property upon the assessment rolls is:

Table with 2 columns: Description and Assessed Value. Rows include Forest Land, Current Use Land, Improvement Value, Taxable Senior Freeze, Real Property (excluding items 1-4), Total Taxable Assessed Value of Real Property (\$0), Personal Property, and Total County Locally Assessed Value (\$0).

Custody of the assessment rolls is hereby officially delivered to the County Board of Equalization.

Assessor \_\_\_\_\_.

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ (yr) \_\_\_\_\_

\_\_\_\_\_, Auditor of \_\_\_\_\_ County.

- Original document to the clerk of the County Board of Equalization on or before July 15, or for counties with a 60 day appeal period August 15, for the purpose of equalization. (RCW 84.40.320)
Copy to DOR for ratio purposes, or or before July 15 or when the rolls for the current assessment year are complete. (WAC 458-53-135)

Send Copy To:
Department of Revenue
Property Tax Division
PO Box 47471
Olympia WA 98504-7471

## **Sample**

August 28, 2015

The Honorable Jane/John Doe  
Rainier County Assessor  
1234 North Street  
Samll Town, Washington 98xxx-xxxx

### **Request for stratification of the 2015 real property rolls (2015 assessment for 2016 taxes)**

Dear Ms./Mr. Doe:

We are doing the preliminary work necessary to start the 2016 real property study.

#### **What we need from you**

Send us the following information *as soon as your revaluation and new construction have been completed for 2015*.

- A computer stratification of your 2015 real property rolls that includes all listings\*. The starting points and sampling frequencies are detailed below. Please send your reports via email attachment in Excel (*preferred*) or PDF format.
- The following summaries for the samples selected:
  - Total number of sample accounts for each stratum.
  - Total assessed value of all sample accounts for each stratum.
  - Prior year's total assessed value of all sample accounts for each stratum.
- The following summaries of all accounts on the real property rolls:
  - Total number of accounts on the rolls for each stratum (excluding utilities, exempt properties, current use, timber or timberland and senior freeze properties).
  - Total assessed value of all accounts for each stratum (excluding utilities, exempt properties, current use, timber or timberland and senior freeze properties).
  - Prior year's total assessed value of all accounts for each stratum (excluding utilities, exempt properties, current use, timber or timberland and senior freeze properties).
  - Total parcel count and total value of senior freeze properties.
  - Total parcel count of forestland properties.
  - Total parcel count of properties with values less than \$1,000.

**\*\*\* Do not include current use properties, as current use stratum information will be requested separately.**

*(This will only appear for the Current Use county requests)*

The Honorable Jane/John Doe  
August 28, 2015  
Page 2

**Use these sampling frequencies and starting points for the stratifications**

<u>Land Use and Value Strata</u>	<u>Sampling Frequencies</u>	<u>Starting Points</u>
<b>Single Family Res</b>		
\$ 1,000 - 149,999	Every 650th starting with the	4th parcel
\$ 150,000 & Over	Every 75th starting with the	8th parcel
<b>MFR/Comm/Mfg</b>		
\$ 1,000 & Over	Every parcel starting with the	1st parcel
<b>Ag/CU Ag/Other</b>		
\$ 1,000 & Over	Every 300th starting with the	5th parcel

The starting point listed above becomes the first parcel for that particular stratum. In some cases, the starting point changes every year to assure that the same account will not automatically be pulled in our sample each year.

The samples selected within each stratum should be listed as they come off the roll. Include the parcel number, name and mailing address of each taxpayer, land use code, assessed value and prior year's assessed value of each sample. Also, please number the listing starting with the number one (1) for each stratum.

**DO NOT include the following types of property in the stratifications**

- Those that are completely exempt
- Current use properties
- Timber or timber land
- Senior freeze properties
- Utilities, railroads, and other properties whose values are determined by the Department of Revenue Utility Section
- Any Improvements on Government Leased Land

**Real property sales reports are due**

The real property ratio sales study (including valid and invalid sales reports) for 2015 is due. The sales should be stratified by land use and value as outlined above (sampling frequencies listed above do not apply to the sales report). **The sales study period for the 2015 ratio study reports should include all transactions that occurred May 1, 2014 through April 30, 2015.** Please refer to the Ratio Procedures Manual regarding the preparation of these reports.

Sincerely,

Mark Studer, Specialist  
Ratio Program  
Property Tax Division

Enclosure



**Sample**

July 30, 2015

The Honorable Jane/John Doe  
Cascade County Assessor  
1234 West East Avenue  
Special Place, Washington 98xxx-xxxx

**Request for stratification of 2015 personal property rolls (2015 assessment for 2016 taxes)**

Dear Ms./Mr. Doe:

We are doing the preliminary work necessary to start our 2016 personal property ratio study.

As you are aware, we use the prior year's data to establish the current year's ratio. With this in mind, we are requesting your assistance in preparing a computer stratification of your 2015 personal property rolls. The enclosed sheet regarding electronic formats for the stratifications has been updated, so please review it carefully before preparing your stratifications.

**Send us the following information by September 2, 2015**

- A stratification of your 2015 personal property rolls that includes all listings as of July 1. (Instructions are on the next page.)

**If you have a large number of delinquent accounts, wait until they have been processed before performing the stratification.**

- The following summaries for the samples selected:
  1. Total number of sample accounts for each stratum.
  2. Total assessed value of all sample accounts for each stratum.
- The following county totals of all accounts on the personal property rolls:
  1. Total number of accounts on the rolls for each stratum (excluding utilities, exempt properties, boats, mobile homes, and state bid timber).
  2. Total assessed value of all accounts for each stratum (excluding utilities, exempt properties, boats, mobile homes, and state bid timber).

**Reminder:** The passage of HJR 4223 in November 2006 increased the Head of Family Exemption from \$3,000 to \$15,000. For qualifying accounts, remove the \$15,000 from the assessed value prior to stratifying the personal property roll and creating the reports for ratio purposes.

The Honorable Jane/John Doe  
July 30, 2015  
Page 2

**Use these sampling frequencies and starting points for the stratifications**

<u>Personal Property</u>		<u>Assessed Value Strata</u>	<u>Sampling Frequencies</u>	<u>Starting Points</u>
\$	1,000	– 99,999	Every parcel	starting with the 1st parcel
\$	100,000	– 499,999	Every parcel	starting with the 1st parcel
\$	500,000	– 1,999,999	Every parcel	starting with the 1st parcel
\$	2,000,000	& Over	Every parcel	starting with the 1st parcel

The first listing from the roll in each stratum becomes the starting point number assigned. In some cases, the starting number changes each year to assure that the same account will not automatically be pulled in our sample.

The samples selected within each stratum should be listed as they come off the roll. Please include account identification number, name and mailing address of each taxpayer, and the assessed value of each sample. Also, please number the listings starting with number one (1) for each stratum.

**DO NOT include the following types of property in the stratification**

- Those that are completely exempt.
- Utilities, railroads, and other properties whose values are determined by the Department of Revenue Utility Section.
- Boats.
- Any mobile homes.
- State bid timber.

Sincerely,

Mark Studer, Specialist  
Ratio Program  
Property Tax Division

Enclosure

**Sample**

August 4, 2015

The Honorable Jane/John Doe  
Cascade County Assessor  
1234 West East Avenue  
Special Place, Washington 98xxx-xxxx

**Request for stratification of 2015 current use rolls**

Dear Ms./Mr. Doe:

Current use farm and agricultural values will be included as a separate stratum in your county ratio study.

**What we need from you**

Send me a computer stratification of current use properties. (A list of acceptable electronic formats is enclosed.) The stratification should be for assessment date January 1, 2015, for taxes due in 2015. The random sampling frequency and starting point chosen for your county are:

**\$1,000 and Over Every 7th starting with the 5th parcel**

The starting point listed above becomes the first parcel for the stratum. The samples selected should be listed as they come off the roll. Number the listings starting with the number one (1). Include the parcel number, name and mailing address of the taxpayer, land use code, and assessed value for each sample. Please list land, improvement, and total values separately for each parcel. However, if you are unable to list these values separately, please code the parcel in some way to indicate whether there is an improvement. Do not include senior freeze home site parcels.

In addition to the listing, we also need the following summaries:

- 1) The total number of parcels in the current use stratum.
- 2) The total assessed value of the land in the current use stratum.
- 3) The total assessed value of the improvements in the current use stratum.
- 4) The total number of samples drawn according to the above sampling frequencies.

Thank you for your assistance.

Sincerely,

Mark Studer, Specialist  
Ratio Program  
Property Tax Division

Enclosure

## **Sample**

### STEP 2 APPLICATION OF STRATUM RATIOS TO ACTUAL COUNTY ASSESSED VALUES

<u>Type of Land Use</u>	<u>Stratum</u>	(1) <u>Actual County Real Property Assessed Value</u>	(2) <u>Ratio</u>	(3) <u>County Market Value Related to Actual Assessed Value</u> <i>Col. 1 ÷ Col. 2</i>
Single Family Residence	0 - 74,999	\$500,000,000	77.8	\$642,673,522
	75,000 - 149,999	250,000,000	80.0	312,500,000
	150,000 - +	250,000,000	84.8	294,811,321
Multi-Family Residence	0 - +	85,000,000	83.3	102,040,816
Commercial/Manufacturing	0 - 149,999	245,000,000	84.8	288,915,094
	150,000 - +	200,000,000	85.1	235,017,626
Agricultural/Other	0 - +	110,000,000	92.3	119,176,598
Senior Freeze (This was separated from Single Family Residence above.)				
Current Use Land (84.34)		125,500,000	95.2	131,827,731
Current Use Improvements (84.34)		50,000,000	84.0	59,523,810
Forest Land (84.33)		2,950,000	100.0	2,950,000
	TOTAL	\$1,883,450,000		\$2,254,436,518
				= 83.5

## Sample

August 6, 2015

**TO:** All County Assessors

**FROM:** Mark Studer, Ratio Specialist  
Property Tax Division

**SUBJECT: CERTIFICATION OF NEW CONSTRUCTION**

Enclosed is a copy of Form REV 64 0059, [Certificate of New Construction Value](#). Completion and filing of this form confirms that your new construction roll for the 2015 assessment year is closed.

### What you need to do

- Complete this form.
- Furnish copies to your local county board of equalization and to the Department of Revenue. The Department's copy should be forwarded on or before September 15 to the following address:

Department of Revenue  
Property Tax Division  
PO Box 47471  
Olympia, WA 98504-7471

If you are not able to meet the deadline of September 15, please contact me at (360) 534-1400 or [marks@dor.wa.gov](mailto:marks@dor.wa.gov)

### You can also access the form on the Department's web site

Go to [www.dor.wa.gov](http://www.dor.wa.gov), click on the *Get a Form or Publication* tab on the left-side menu and then click on *Forms by name* on the left side. From the alphabet listing, click on *C*. The fifth item down the list should be [Certificate of New Construction Value](#). Click on it to open the form.

Enclosure

**Assessor's Certificate of New Construction Value  
to the County Board of Equalization**

State of Washington    )  
                                      )  
\_\_\_\_\_ County        )

Pursuant to RCW 36.21.080 and 84.40.040, I, \_\_\_\_\_, Assessor of  
\_\_\_\_\_ County, hereby certify that the value of new construction added to the  
\_\_\_\_\_ assessment roll is \$ \_\_\_\_\_.

\_\_\_\_\_  
Signature of Assessor

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, (year) \_\_\_\_\_,  
\_\_\_\_\_, Auditor for \_\_\_\_\_ County.

**File a copy on or before September 15 with:**

Department of Revenue  
Property Tax Division, Mark Studer  
PO Box 47471,  
Olympia WA 98504-7471

For tax assistance, visit <http://dor.wa.gov/content/taxes/property/default.aspx> or call (360) 570-5900. To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users may call 1-800-451-7985.

**Sample**

October 7, 2015

The Honorable Jane Smith  
Cascade County Assessor  
111 South Fifth  
Faraway, Washington 99xxx-xxxx

**Preliminary Real Property Ratio**

Dear Ms. Smith:

In accordance with the ratio study rules (RCW 84.48.075 and chapter 458-53 WAC), the following preliminary ratio has been determined for the 2014 study in your county:

Real Property Ratio 94.4%

Copies of worksheets used in calculating the ratios are enclosed.

RCW 84.48.075 provides for the Department of Revenue to review the ratio with the assessor. If you wish a review, please contact me in writing for a date and time by **October 21, 2015**.

The cooperation and assistance provided by you and your staff are very much appreciated. Should you have any questions, please call me at (360) 534-1400 or email me at markst@dor.wa.gov.

Sincerely,

Mark Studer  
Specialist  
Property Tax Division

Enclosures

**The following 2 pages are an example of the enclosures that are sent with the preliminary real property ratio letter.**

WASHINGTON STATE – DEPARTMENT OF REVENUE  
 2015 APPLICATION OF STRATUM RATIOS TO ACTUAL COUNTY ASSESSED VALUES  
 REAL PROPERTY  
 10/07/2015

**CASCADE**

CATEGORY STRATUM	ACTUAL COUNTY REAL PROPERTY ASSESSED VALUE	RATIO	COUNTY MARKET VALUE RELATED TO ACTUAL ASSESSED VALUE
<b>SENIOR FREEZE</b>			
0 & OVER	182,159,718	100.0	182,159,718
<b>TIMBERLAND</b>			
0 & OVER	0	100.0	0
<b>FORESTLAND</b>			
0 & OVER	4,169,756	100.0	4,169,756
<b>MULTIPLE FAMILY RESIDENCE, COMMERCIAL, MANUFACTURING</b>			
0 – 249,999	747,243,796	87.2	856,836,878
250,000 & OVER	2,989,433,720	95.2	3,140,976,540
<b>SINGLE FAMILY RESIDENTIAL</b>			
0 – 99,999	1,240,241,929	95.7	1,295,396,861
100,000 – 199,999	4,372,499,076	95.6	4,575,720,605
250,000 & OVER	3,152,768,015	95.7	3,294,762,910
<b>AGRICULTURAL, AGRICULTURAL CURRENT USE, OPEN SPACE, OTHER</b>			
0 & OVER	1,961,561,373	90.2	2,175,372,657
	<b>14,650,077,383</b>		

**RATIO = 94.4%**



## Ratio Procedures Manual

**WASHINGTON STATE – DEPARTMENT OF REVENUE  
2015 STRATUM AVERAGE VALUE & RATIO COMPUTATIONS  
REAL PROPERTY  
10/07/2015**

**CASCADE**

CATEGORY STRATUM	# of SAMPLES	AVERAGE ASSESSED	AVERAGE MARKET	STRATUM RATIO
<b>SENIOR FREEZE</b>				
0 & OVER	<u>0</u>	<u>0</u>	<u>0</u>	<u>100%</u>
<b>TIMBERLAND</b>				
0 & OVER	<u>0</u>	<u>0</u>	<u>0</u>	<u>100%</u>
<b>FORESTLAND</b>				
0 & OVER	<u>0</u>	<u>0</u>	<u>0</u>	<u>100%</u>
<b>MULTIPLE FAMILY RESIDENCE, COMMERCIAL, MANUFACTURING</b>				
0 – 249,999				
SALES	<u>49</u>	<u>134,076</u>	<u>153,740</u>	<u>87.2%</u>
	<b>49</b>	<b>134,076</b>	<b>153,740</b>	<b>87.2%</b>
250,000 & OVER				
SALES	<u>17</u>	<u>576,847</u>	<u>606,089</u>	<u>95.2%</u>
	<b>17</b>	<b>576,847</b>	<b>606,089</b>	<b>95.2%</b>
<b>SINGLE FAMILY RESIDENTIAL</b>				
0 – 99,999				
SALES	<u>192</u>	<u>77,511</u>	<u>80,958</u>	<u>95.7%</u>
	<b>192</b>	<b>77,511</b>	<b>80,958</b>	<b>95.7%</b>
100,000 – 199,999				
SALES	<u>689</u>	<u>145,921</u>	<u>152,703</u>	<u>95.6%</u>
	<b>689</b>	<b>145,921</b>	<b>152,703</b>	<b>95.6%</b>
200,000 -& OVER				
SALES	<u>255</u>	<u>279,030</u>	<u>291,597</u>	<u>95.7</u>
	<b>255</b>	<b>279,030</b>	<b>291,597</b>	<b>95.7</b>
<b>AGRICULTURAL, AGRICULTURAL CURRENT USE, OPEN SPACE, OTHER</b>				
0 & OVER				
SALES	<u>95</u>	<u>77,073</u>	<u>85,474</u>	<u>90.2%</u>
	<b>95</b>	<b>77,073</b>	<b>85,474</b>	<b>90.2%</b>

**Sample**

August 19, 2015

The Honorable Jane Smith  
Cascade County Assessor  
111 South Fifth  
Faraway, Washington 99xxx-xxxx

**Preliminary Personal Property Ratio**

Dear Ms. Smith:

In accordance with the ratio study rules (RCW 84.48.075 and chapter 458-53 WAC), the following preliminary ratio has been determined for the 2015 study in your county:

Personal Property Ratio 89.5%

Copies of worksheets used in calculating the ratio are enclosed.

RCW 84.48.075 provides for the Department of Revenue to review the ratio with the assessor. If you wish a review, please contact me in writing for a date and time by **September 2, 2015**.

The cooperation and assistance provided by you and your staff are very much appreciated. Should you have any questions, please call me at (360) 534-1400 or email me at [markst@dor.wa.gov](mailto:markst@dor.wa.gov).

Sincerely,

Mark Studer  
Specialist  
Property Tax Division

Enclosures

**The following 5 pages are an example of the enclosures that are sent with the preliminary personal property ratio letter.**

**WASHINGTON STATE – DEPARTMENT OF REVENUE  
2015 APPLICATION OF STRATUM RATIOS TO ACTUAL COUNTY ASSESSED VALUES  
PERSONAL PROPERTY  
08/19/2015**

**CASCADE**

<b>CATEGORY STRATUM</b>	<b>ACTUAL COUNTY PERSONAL PROPERTY ASSESSED VALUE</b>	<b>RATIO</b>	<b>COUNTY MARKET VALUE RELATED TO ACTUAL ASSESSED VALUE</b>
<b>PERSONAL PROPERTY</b>			
0 – 74,999	14,496,280	75.9	19,099,183
75,000 – 249,999	17,529,790	90.4	19,400,315
250,000 & OVER	76,038,435	92.5	82,201,002
	<b>108,064,505</b>		<b>120,700,500</b>

**RATIO = 89.5%**

## Ratio Procedures Manual

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**WASHINGTON STATE – DEPARTMENT OF REVENUE  
2015 STRATUM AVERAGE VALUE & RATIO COMPUTATIONS  
PERSONAL PROPERTY  
08/19/2015**

**CASCADE**

<b>CATEGORY STRATUM</b>	<b># of SAMPLES</b>	<b>AVERAGE ASSESSED</b>	<b>AVERAGE MARKET</b>	<b>STRATUM RATIO</b>
<b>PERSONAL PROPERTY</b>				
0 – 74,999	27	18,423	24,266	75.9
75,000 – 249,999	19	137,603	152,286	90.4
250,000 & OVER	52	981,536	1,061,085	92.5

## Ratio Procedures Manual

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**WASHINGTON STATE – DEPARTMENT OF REVENUE  
2015 RATIO STRATIFICATION SUMMARY  
PERSONAL PROPERTY  
08/19/2015**

<b>CASCADE</b>
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**PERSONAL PROPERTY**  
0 – 74,999

YEAR	IDENTIFICATION NUMBER	ASSESSED VALUE	AVERAGE MARKET	RATIO
2013	10-01947	17,875	31,000	57.7%
2013	10-02286	62,305	70,899	87.9%
2013	10-03814	52,705	48,484	108.7%
2013	10-04735	40,300	35,821	112.5%
2013	10-05422	17,370	16,663	104.2%
2013	10-06119	6,015	5,843	102.9%
2013	10-06470	22,460	36,637	61.3%
2013	10-06691	22,800	22,798	100.0%
2013	10-06693	25,440	25,366	100.3%
2013	60-00059	9,170,	23,000	39.9%
2014	10-02315	33,750	33,750	100.0%
2014	10-03603	9,055	38,144	23.7%
2014	10-04558	21,000	25,612	82.0%
2014	10-06119	5,385	5,420	99.4%
2014	10-06121	17,940	23,013	78.0%
2014	10-06455	30,995	50,559	61.2%
2015	10-06598	5,125	5,357	95.6%
2015	10-06755	5,825	5,825	100.0%
2015	10-01949	32,400	50,000	64.4%
2015	10-02345	10,240	24,727	41.4%
2015	10-03058	7,085	7,083	100.0%
2015	10-03745	9,879	38,360	25.8%
2015	10-04648	3,730	4,970	75.1%
2015	10-05563	3,805	3,803	100.1%
2015	10-05649	1,265	1,367	92.5%
2015	10-06006	9,870	9,871	100.0%
2015	60-00072	13,680	10,800	126.7%
<b>TOTALS</b>		<b>\$497,429</b>	<b>\$655,172</b>	
<b># of SAMPLES</b>		<b>27</b>		
<b>MEAN ASSESSED</b>		<b>\$18,423</b>		
<b>MEAN MARKET</b>		<b>\$24,266</b>		

## Ratio Procedures Manual

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**WASHINGTON STATE – DEPARTMENT OF REVENUE  
2015 RATIO STRATIFICATION SUMMARY  
PERSONAL PROPERTY  
08/19/2015**

**CASCADE**

**PERSONAL PROPERTY**  
75,000 – 249,999

YEAR	IDENTIFICATION NUMBER	ASSESSED VALUE	AVERAGE MARKET	RATIO
2013	10-02096	183,065	184,119	99.4%
2013	10-02134	146,690	147,661	99.3%
2013	10-04067	114,970	114,972	100.0%
2013	10-04097	223,340	223,337	100.0%
2013	10-04470	106,330	106,329	100.0%
2013	10-06246	99,770	99,771	100.0%
2013	10-06681	145,520	145,518	100.0%
2013	10-06745	96,290	91,014	105.8%
2014	10-02702	123,575	125,094	98.8%
2014	10-03746	186,690	202,247	92.3%
2014	10-04067	109,060	109,641	99.5%
2014	10-06617	174,570	213,516	81.8%
2014	10-06738	136,970	136,411	100.4%
2014	10-02112	82,061	320,817	25.6%
2015	10-02616	162,700	191,969	84.8%
2015	10-03585	77,870	84,474	92.2%
2015	10-04042	106,455	81,355	130.9%
2015	10-06772	151,670	134,372	112.9%
2015	10-06794	186,875	180,835	103.3%
<b>TOTALS</b>		<b>\$2,614,471</b>	<b>\$2,893,452</b>	
# of SAMPLES		19		
MEAN ASSESSED		\$137,604		
MEAN MARKET		\$152,287		

## Ratio Procedures Manual

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**WASHINGTON STATE – DEPARTMENT OF REVENUE  
2015 RATIO STRATIFICATION SUMMARY  
PERSONAL PROPERTY  
08/19/2015**

**CASCADE**

**PERSONAL PROPERTY**  
250,000 & OVER

YEAR	IDENTIFICATION NUMBER	ASSESSED VALUE	AVERAGE MARKET	RATIO
2013	10-01911	275,000	351,000	78.3%
2013	10-02020	285,460	295,626	96.6%
2013	10-02642	361,065	389,893	92.6%
2013	10-02684	1,357,495	1,323,982	102.5%
2013	10-02805	653,835	741,749	88.1%
2013	10-04053	861,810	864,265	99.7%
2013	10-04322	1,130,400	1,162,767	97.2%
2014	10-01911	335,000	335,000	100.0%
2014	10-02188	1,770,085	1,764,718	100.3%
2014	10-02294	447,490	411,518	108.7%
2014	10-02302	740,200	740,200	100.0%
2014	10-02386	342,110	325,505	105.1%
2014	10-02750	250,145	250,147	100.0%
2015	10-02869	3,311,835	3,860,369	85.8%
2015	10-01937	505,000	445,000	113.5%
2015	10-02117	1,935,035	1,992,399	97.1%
2015	10-02310	3,561,560	3,561,559	100.0%
2015	10-02375	1,298,315	2,092,152	62.1%
2015	10-02565	5,618,820	5,726,487	98.1%
2015	10-02642	549,425	549,577	100.0%
2015	10-02750	461,100	460,427	100.1%
<b>TOTALS</b>		<b>\$51,039,890</b>	<b>\$55,176,435</b>	
<b># of SAMPLES</b>		<b>52</b>		
<b>MEAN ASSESSED</b>		<b>\$981,536</b>		
<b>MEAN MARKET</b>		<b>\$1,061,085</b>		

For the purpose of this sample, not all audit results were shown for this stratum. If this was an actual Stratification Summary Report the results of all 52 audits would have been included.

**Sample**

October 12, 2015

The Honorable Jane/John Doe  
Cascade County Assessor  
111 South Fifth  
Faraway, Washington 99xxx-xxxx

**Final Real Property Ratio**

Dear Ms./Mr. Doe:

As provided for in RCW 84.48.075(3), the Department of Revenue hereby certifies the 2015 real property ratio for your county as 94.4 percent.

Should you need any information other than that which was previously supplied, please let me know.

Sincerely,

Mark Studer  
Specialist  
Property Tax Division



**Sample**

September 23, 2015

The Honorable Jane/John Doe  
Cascade County Assessor  
111 South Fifth  
Faraway, Washington 99xxx-xxxx

**Final Personal Property Ratio**

Dear Ms./Mr. Doe:

As provided for in RCW 84.48.075(3), the Department of Revenue hereby certifies the 2015 personal property ratio for your county as 89.6 percent.

Should you need any information other than that which was previously supplied, please let me know.

Sincerely,

Mark Studer  
Specialist  
Property Tax Division