



Department of
Revenue
Washington State

*"Working together to
fund Washington's future"*

Current Use Designated Forestland

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Open Space Taxation Act

Chapter 84.34 RCW

- **The open Space Taxation Act was enacted in 1970.**

Allows property owners to have their open space farm and agricultural lands and timber lands valued at current use, rather than fair market value.

The act was created in the interest of the state to preserve, conserve and continue the existence of open space lands for the production of food, fiber, and forest crops, also, for the enjoyment of natural resources, scenic beauty and for the economic and social well being of the state and for its people.



There are four classifications that are under the open space taxation act



- Open space
- Farm and agricultural land
- Designated Forestland
- Timber land.



Farm and Agricultural land is the responsibility of the Assessor to administer.

Open Space, and Timber Land is under the county legislative authority's jurisdiction.



Sometimes the county legislative authority will give this responsibility to community development, or the assessor. It can vary from county to county.

Open Space Classification

A scenic landscape featuring a calm lake in the foreground, a dense forest of evergreen trees in the middle ground, and snow-capped mountains in the background under a blue sky with light clouds. A large, fallen tree trunk lies on the rocky shore in the foreground.

- **Preserve or enhance natural or scenic vistas.**
- **Protect streams/water supply.**
- **Promote conservation of soils, wetlands, beaches, or tidal marshes.**



- Enhance parks, forests, wildlife preserves, sanctuaries, preserve historic sites;

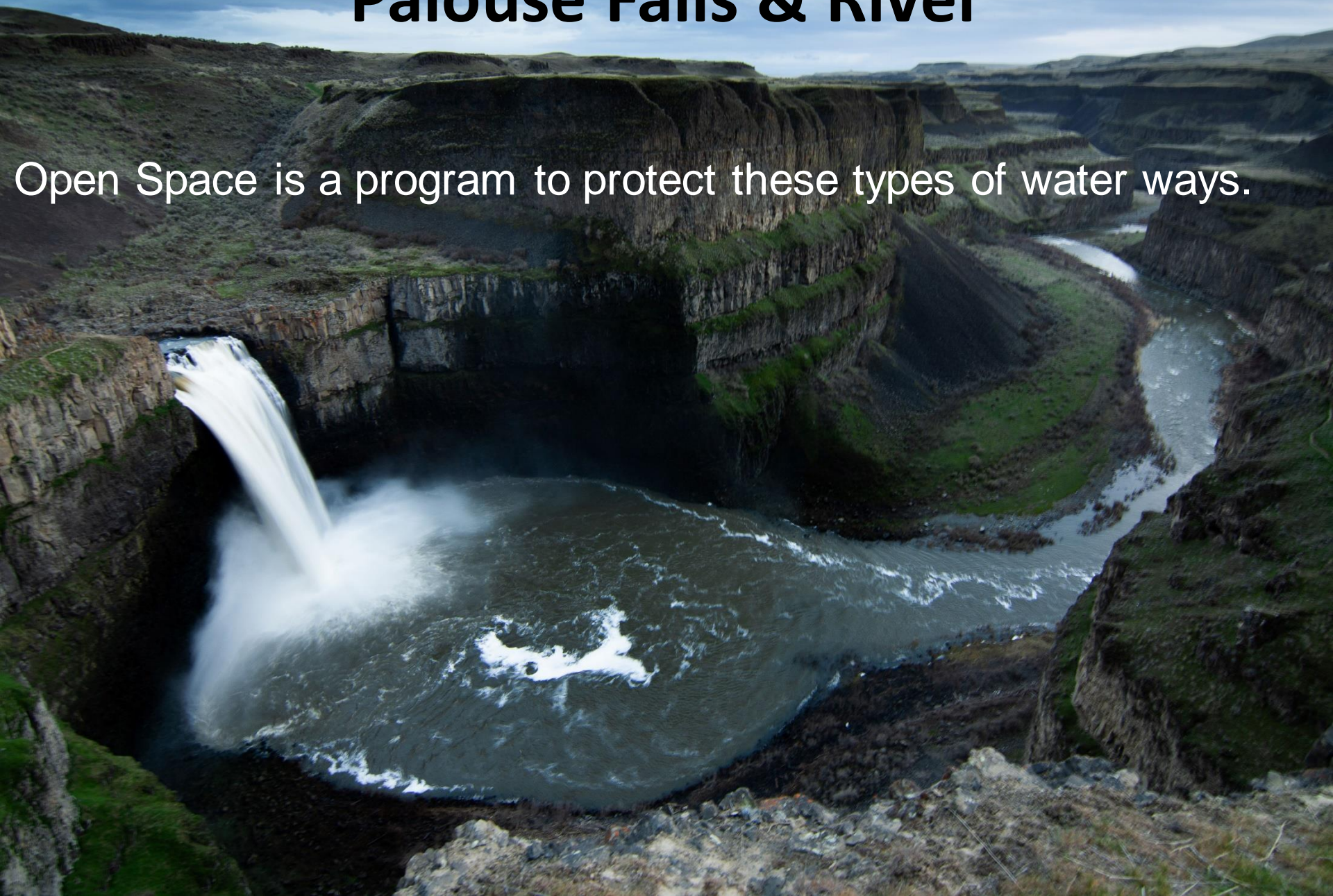
- Enhance recreation opportunities, like campgrounds & golf courses.

- Any land area designated by an official comprehensive land use plan adopted by any city or county and zoned accordingly (RCW 84.34.020(1)(a))

- Land only, no improvements

Palouse Falls & River

Open Space is a program to protect these types of water ways.



Open Space Farm and Agricultural Conservation Land

Allows farms that no longer qualify for farm and agricultural land to be reclassified to this classification

Some counties if they have a Public Benefit Rating System will limit the years that this land can be in the classification.

Key question to this classification is the if the parcel has a high likelihood to return to farming. If it does, then the parcel qualifies for Open Space Farm Agricultural Conservation Land.

Public Benefit Rating System



**Points Systems set up by
Community Development**

**More points given to high
priority conservation land**

**Points affect assessed
value**

**Points are set & given to
assessors to apply to
current land schedule**

**Some counties have
minimum point
requirements**

A list of counties who have adopted a PBRs and a link to the rating system or contact information is provided at propertytax.dor.wa.gov.

Open Space Applications

- **Granting Authority – County Legislative Authority (CLA).**
- **Community Development may be directed by the CLA to review the applications and make a recommendation of denial or approval.**
- **CLA approves/denies application within 6 months.**

Open Space Taxation Agreement

Must state:
Conditions of approval

Actions causing removal



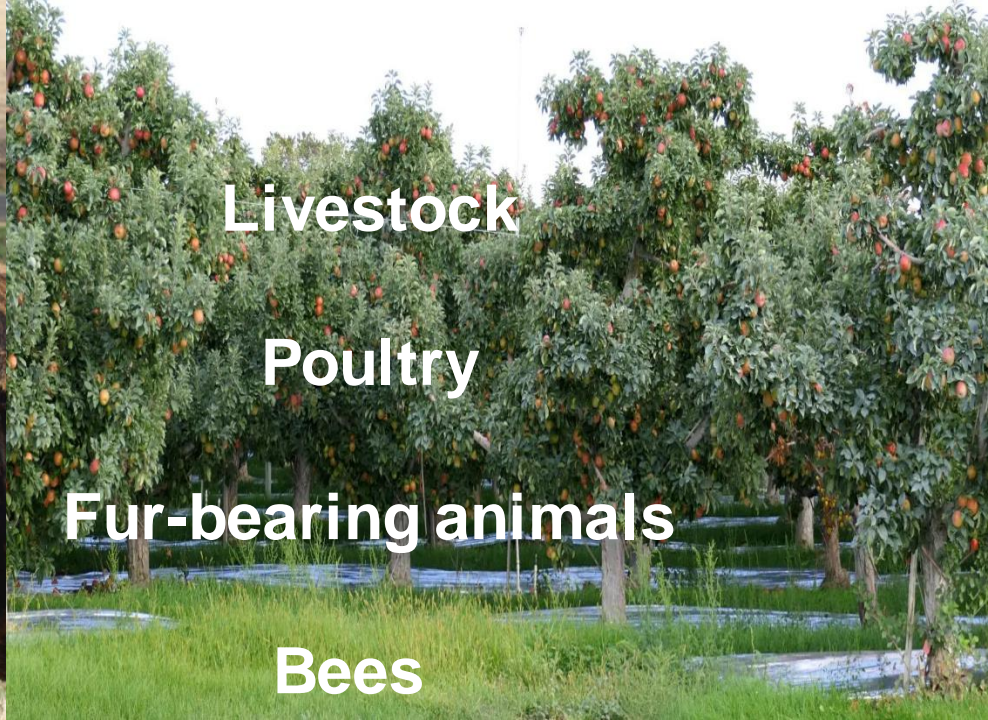
FARM & AGRICULTURAL LAND



Aquaculture

Horticulture

Agriculture



Livestock

Poultry

Fur-bearing animals

Bees

Livestock



- Cattle
- Pigs
- Horses
- Llamas
- Alpacas
- Sheep
- Goats

Crops

- Apples
- Potatoes
- Wheat
- Corn
- Tulips
- Alfalfa
- Pumpkins
- Onions

Honey Bees



Agricultural Commodity

Honey and pollen are agricultural products

Register hives with WA State Beekeepers Association

Aquaculture

Fish, shellfish, and aquatic plant farming



Industrial Hemp

**Must be licensed
with Department
of Agriculture**

**Prove income if
under 20 acres**



Appurtenance

Barn

Tool Shed

Equipment

Shed

Machinery



Incidental Use – 20%

- Wetlands
- Gravel Pit (exclusive use to the property in classification)
- Farm Woodlot
- Produce Stand
- Storage Sheds
- Corn maze



WASHINGTON WHEAT FACTS



- **4th largest wheat producing state in the nation with more than 2.2 million acres in production.**
- **Averages 65 bushels per acre for dry or non-irrigated land.**
- **Eighty to ninety percent of the wheat is exported from ports on the Snake and Columbia Rivers.**



Three levels of Current use Farm & Agricultural

- 20.0 acres or more
- 5.0 acres but less than 20.0 acres
- Up to 5 acres

20 or more acres

- **One parcel or multiple contiguous parcels.**
- **Primarily used to produce agricultural products for commercial purposes.**



Contiguous Land – Two or more parcels



Same owner

or

Different owners of the
Same family

Legal entities wholly owned
by members of same family

5 or more acres up to less than 20 acres

\$200 or more per acre per year for three of the past five years *preceding* the date of application if application was made on or after 1/1/93; or

\$100 or more/acre per year for 3 of five years preceding application if made prior to 1/1/93



Fewer than 5 acres

A photograph of a rural landscape. In the foreground, there is a field with rows of green plants, possibly corn or soybeans. A person wearing a white shirt and a hat is walking through the field. In the middle ground, there is a dirt road and a field with a white plastic covering. In the background, there is a dark barn and a line of trees under a clear sky.

- **\$1,500 per year for three of the past five years *preceding* the date of application if application was made on or after 1/1/93**
- **\$1,000 per year for three of the past five years *preceding* the date of application if application was made before 1/1/93**

Gross Income

Cash income from agricultural purposes

Does NOT include:

Anything owner consumes

Leases not for agriculture

Applications

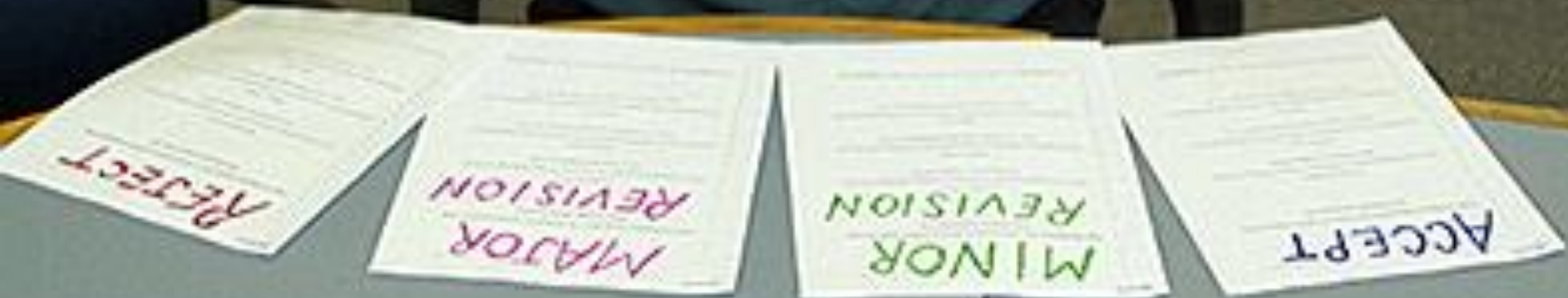
Submit Jan 1-Dec 31

Reviewed when received, or following year

Can be mailed, faxed, emailed

Review for completeness

County receipt processes vary



Assessor Requirements

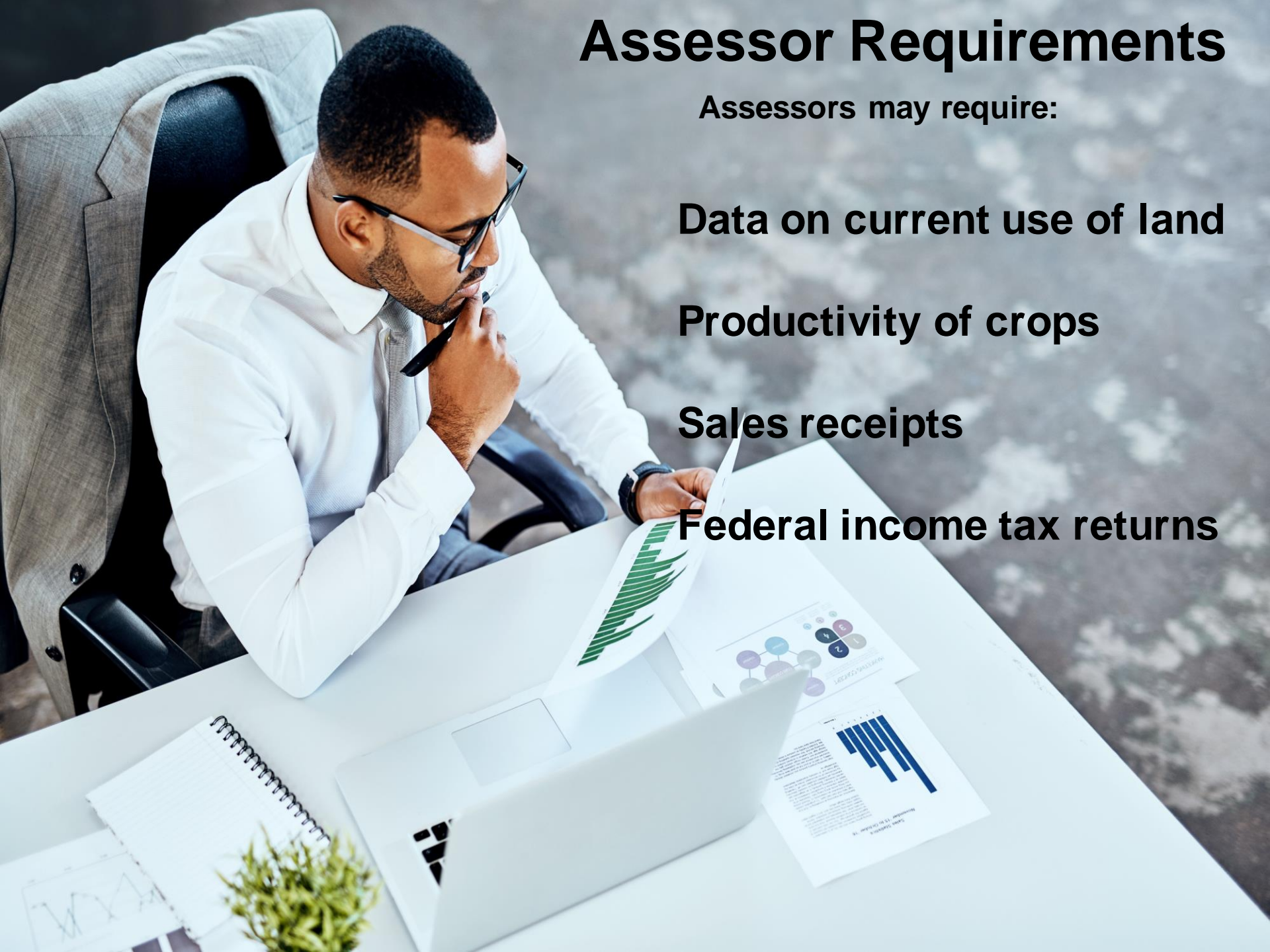
Assessors may require:

Data on current use of land

Productivity of crops

Sales receipts

Federal income tax returns



Relatives



- The land must be owned by the same owner.
- Relatives are an exception to this rule.
- Example: If the farm is operated as an LLC or Corporation, and the land has different ownerships, it could be in the Farm and agricultural land classification. The legal entity must be wholly owned by the members of the same family

Inspect the Property

Verify current use * Answer questions * Explain application process



Inspection may be done via aerial,
however physically inspecting the
property is ideal

Farm and Agricultural Land Applications

Is application completed correctly?

Does zoning allow farming?

Yes?

No?

Approve if qualified

Send approval letter

**Record approval within
10 days**



**Request additional
documents**

**Record denial within 10
days**

A man in a light blue button-down shirt is sitting at a desk with a laptop. He has a distressed expression, with his right hand covering his forehead and eyes. The background shows a blurred green plant and a wooden desk surface.

Denied?

**Owner can appeal to BOE within
30 days**

Or

Reapply in 365 days

MAY 2024

Three chickens strut their stuff under an equine's watchful eye.

Photo: Westend 61/Zerocreatives/Media Bakery

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	THE FIFTH MONTH
APRIL 2024 S M T W T F S 1 2 3 4 5 6			1  <i>Last Quarter</i> <i>First day of Asian American, Native Hawaiian, and Pacific Islander Heritage Month</i> <i>May Day</i>	2	3	4	<p>Country Wisdom</p> <p>Captain Tidy swings the clipper. How steady and even he moves! He is neither banger nor boaster, but his arms move like the swinging of a door on its hinges. Now he points in, now he points out, and the ground behind him is as level as a bowling green! The music of his scythe, as it sweeps through the dewy herbage, mimics the sweet matins of the merry lark!</p> <p>-The Old Farmer's Almanac, 1832</p> <p>Best Days in May</p> <p>FOR PLANTING</p> <p>Aboveground crops: 11, 12 Belowground crops: 3, 4, 30, 31</p> <p>FOR SETTING EGGS:</p> <p>1, 17-19, 27, 28</p> <p>FOR FISHING:</p> <p>7-23</p> <p>Did You Know?</p> <p>Although chickens would seem to have horses outnumbered by only 3 to 1 at this barn, their advantage continentwide is roughly 83 to 1 (663.8 million vs. 8 million). Iowa and Ontario lead their respective nations in hen pecking.</p> 
5	6	7  <i>New Moon</i>	8 <i>Truman Day (Mo.)</i>	9	10	11	
<i>Orthodox Easter</i> <i>Holocaust Remembrance Day begins at sundown</i> <i>Cinco de Mayo</i>							
12 <i>Mother's Day</i>	13	14	15  <i>First Quarter</i>	16	17	18	
						<i>Armed Forces Day</i>	
19 <i>Whitsunday-Pentecost</i>	20 <i>Victoria Day (Canada)</i>	21	22 <i>National Maritime Day</i>	23  <i>Full Flower Moon</i>	24	25	
26	27 <i>Memorial Day, observed</i>	28	29	30  <i>Last Quarter</i>	31	JUNE 2024 S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	

Farm and Ag Land Apps Due for final determination

Farm & Agricultural Land Home Sites

RCW 84.34.065 & WAC 458-30-317

Integral homesites (workers and owners) can have their land value reduced

Homesite is always 1 acre, regardless of actual size





**What do you
call a cow with
no legs?**

**What did the mama
cow say to the baby
cow?**

Reasons for parcels to be removed from Current Use Program.

Change in
use

Not meeting
income
requirements

Voluntary withdrawal

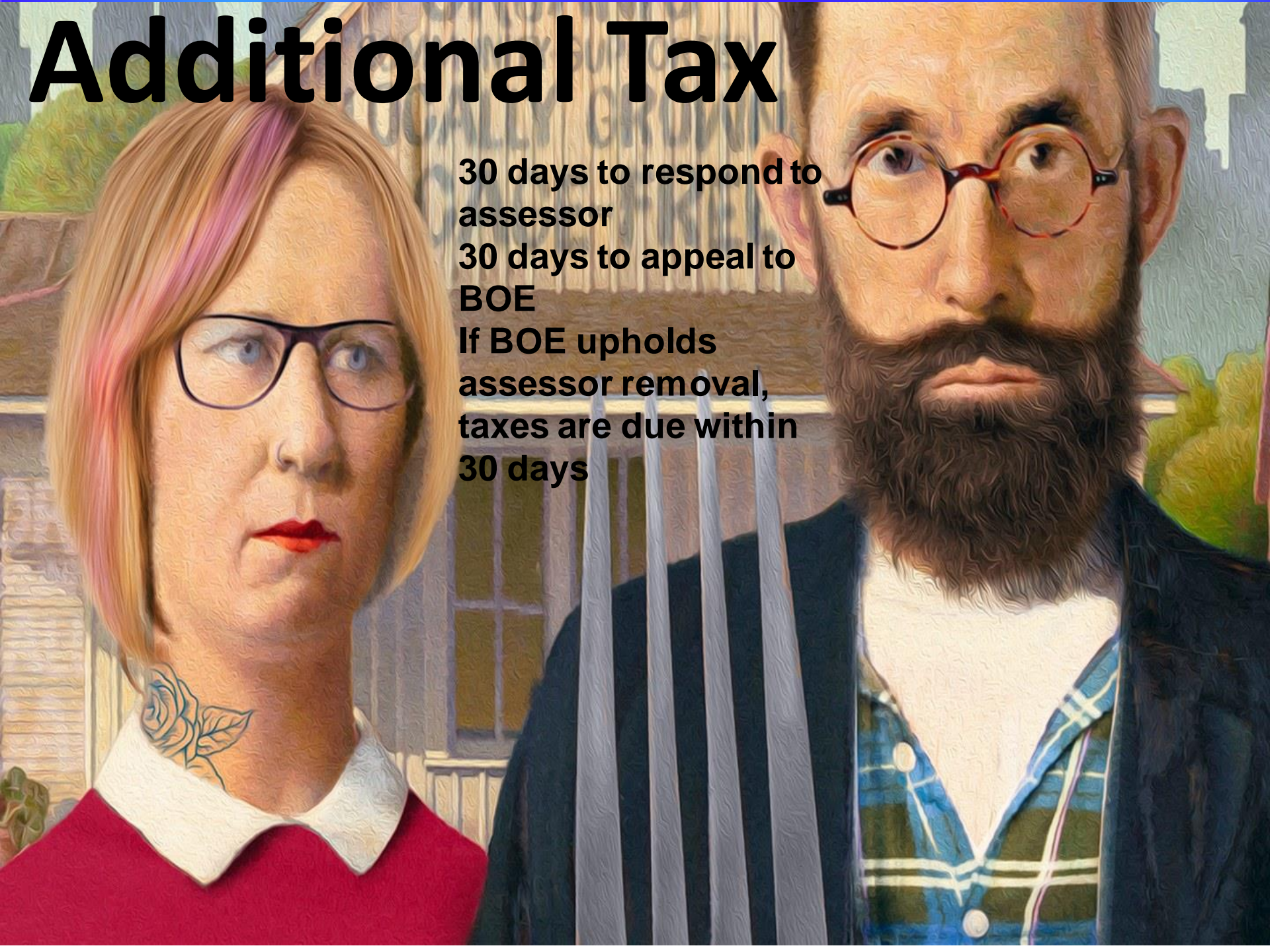


Additional Tax

**30 days to respond to
assessor**

**30 days to appeal to
BOE**

**If BOE upholds
assessor removal,
taxes are due within
30 days**



Timber Land

RCW 84.34.020 (3)

5+ acres

Used to grow & harvest timber commercially

Can be contiguous



An aerial photograph of a forest clearing. In the foreground, there are several large stacks of cut lumber and logs. A yellow excavator is visible near the stacks, and a red skid steer loader is on the left. The ground is a mix of brown earth and green grass. In the background, a dense forest of tall, thin trees covers a hillside.

No Income requirements

Manage land with intent to grow/harvest commercially

Valued on grade/slope of land & tree species

DOR adjusts & certifies forest land values



Land only

10% Incidental Use

**Includes land with
appurtenances needed
for producing,
preparing, & selling
timber**

Application

**Jan 1- Dec 31
submission**

**Approve/deny
within 6 months**

**Timber
management plan
required**

**Approved or Denied by the County
Legislative Authority**



Requires an Open Space Taxation Agreement

Review for completion:

Timber management plan that makes sense?

Inspect property

Make approve/deny recommendation

Public hearing



**Merged Timberland
and Designated
Forestland**

List of counties that merged Timberland & DFL

List of counties that merged timber land and DFL

County	Effective Date of Merger	Resolution / Ordinance No.	Date Signed
Chelan	07/01/2014	2014-65	07/01/2014
Clallam	01/20/2015	897	01/20/2015
Cowlitz	07/15/2014	14-062	07/15/2014
Ferry	08/04/2014	2014-05	08/04/2014
Grays Harbor	07/07/2014	412	07/07/2014
Island	06/12/2014	C-57-14 Amended	06/02/2014 07/28/2014
King	09/02/2022	19484	09/02/2022
Kitsap	08/25/2014	514-2014	08/25/2014
Kittitas	01/01/2015	2015-001	01/06/2015
Klickitat	09/30/2014	O093014	09/30/2014
Lewis	07/14/2014	1225	07/14/2014
Mason	07/18/2017	40-17	07/18/2017
Pacific	07/08/2014	173	07/08/2014
Pend Oreille	09/07/2014	2014-2	09/02/2014
Pierce	01/03/2016	2015-36	09/15/2015
Skagit	07/07/2015	O20150004	07/07/2015
Spokane	12/03/2014	14-0960	12/03/2014
Stevens	02/29/2016	2016-01	02/29/2016
Walla Walla	06/05/2017	467	06/05/2017
Whatcom	10/28/2014	2014-055	10/28/2014

Designated Forestland Chapter 84.33 RCW

Separate from Open Space program

5+ Acres devoted to growing/harvesting timber

Value based on timber land value- according to DOR



- 
- **No Homesite Allowed**
 - **No Income Requirements**

**10% incidental use
No value notice required**

Land with appurtenances for commercial timber allowed

Application

A photograph of two men in business attire sitting at a table, reviewing documents. The man on the right is wearing glasses and a light blue shirt, looking down at the papers. The man on the left is partially visible, also looking at the documents. The background is a bright, modern office with large windows.

Designated Forest land application is the same as timber land EXCEPT

No timber management plan required

No public hearing

Owner does not sign open space taxation agreement

A man wearing a light blue cap, glasses, and an orange safety vest over a light blue shirt is standing in a forest. He is holding a clipboard and looking down at a document. The background consists of tall trees and green foliage.

Assessor has the option to require a timber management plan when:

(Re) classification application is submitted

DFL is sold/transferred

The land is no longer devoted to growing/harvesting timber

No stand of timber

Failure to comply

**Land abuts body of salt
water (200' from tide
line)**

Denial

A woman with long, curly brown hair is sitting at a table, looking down with her hand covering her face in a gesture of distress or denial. She is holding a white rectangular sign in front of her. The background is a blurred indoor setting with warm lighting and green and red bokeh lights, suggesting a festive or holiday atmosphere. There is a plate of food on the table in front of her.

A man with a long, flowing white beard and a purple robe is shown from the chest up. He is holding a wooden staff in his right hand. The background is slightly blurred, showing what appears to be an interior setting with wooden beams and a decorative element.

Time Frame

Application in year 2024

Inspected/Assessed in year 2025

Tax reduction beginning year 2026

Removal

A photograph of two men in baseball uniforms standing on a field. The man on the left is wearing a dark blue jacket with the number '23' on the sleeve and a dark cap. The man on the right is wearing a dark blue jacket with 'PIERS' on the chest and a dark cap. They appear to be in conversation. The background is a blurred stadium.

Assessor determination

Written notice in 30 days

**30 or 60 days to
appeal
or July 1**

Up to 9 years comp tax

Continuance

An aerial photograph of rolling green hills. A winding road or path cuts through the landscape. In the distance, a small cluster of trees is visible. The hills are covered in vibrant green grass, and the overall scene is peaceful and scenic.

Continuance form must be signed by purchaser if land is sold or transferred.

Assessor has 15 days to review.

Enter any additional codes _____

(see back of last page for instructions)

Was the seller receiving a property tax exemption or deferral under RCW 84.36, 84.37, or 84.38 (nonprofit org., senior citizen or disabled person, homeowner with limited income)? Yes No

Is this property predominately used for timber (as classified under RCW 84.34 and 84.33) or agriculture (as classified under RCW 84.34.020) and will continue in it's current use? **If yes and the transfer involves multiple parcels with different classifications, complete the predominate use calculator (see instructions)** Yes No

6 Is this property designated as forest land per RCW 84.33? Yes No

Is this property classified as current use (open space, farm and agricultural, or timber) land per RCW 84.34? Yes No

Is this property receiving special valuation as historical property per RCW 84.26? Yes No

If any answers are yes, complete as instructed below.

(1) NOTICE OF CONTINUANCE (FOREST LAND OR CURRENT USE)

NEW OWNER(S): To continue the current designation as forest land or classification as current use (open space, farm and agriculture, or timber) land, **you must sign on (3) below.** The county assessor must then determine if the land transferred continues to qualify and will indicate by signing below. If the land no longer qualifies or you do not wish to continue the designation or classification, it will be removed and the compensating or additional taxes will be due and payable by the seller or transferor at the time of sale (RCW 84.33.140 or 84.34.108). Prior to signing (3) below, you may contact your local county assessor for more information.

This land: does does not qualify for continuance.

Deputy assessor signature Date

(2) NOTICE OF COMPLIANCE (HISTORIC PROPERTY)

NEW OWNER(S): To continue special valuation as historic property, **sign (3) below.** If the new owner(s) doesn't wish to continue, all additional tax calculated pursuant to RCW 84.26, shall be due and payable by the seller or transferor at the time of sale.

(3) NEW OWNER(S) SIGNATURE

Signature

Signature

Print name

Print name

Auditing Parcels

Audit Checklist

- Audit Satisfactory
- Nonconformance found
- Observations made

Auditing parcels – You can Audit All parcels in all classifications – The statute does not require the Assessor’s office to do so, but it is allowed under RCW 84.34.121 and further spelled out in WAC 458-30-270

Questions?

