

\$5.90 Aggregate Limit & Prorationing

Chapter 7

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WASHINGTON STATE DEPARTMENT OF REVENUE

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Levy Limitations

Regular Levies

Levy Limit (aka 1% growth limit)

Statutory Maximum Rate

Resolution Allowing Increase

Certified Levy Request

Constitutional 1%

\$5.90 Aggregate Limit

WASHINGTON STATE DEPARTMENT OF REVENUE

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Taxing Districts

Senior



Junior




WASHINGTON STATE DEPARTMENT OF REVENUE

3

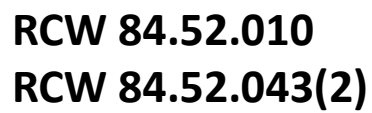
WASHINGTON STATE DEPARTMENT OF REVENUE 3

Resources for Prorationing



RCW 84.52.010
RCW 84.52.043(2)

WASHINGTON STATE DEPARTMENT OF REVENUE 4



WASHINGTON STATE DEPARTMENT OF REVENUE 4

\$5.90 Exceptions

- State Levies
- Conservation Futures
- Emergency Medical Service
- Affordable Housing
- Metropolitan Parks (if voted may protect up to \$.25)
- County Ferry Districts
- County Transit
- Fire Protection Districts & Fire Services Authority (may protect up to \$.25)
- Flood Control Zone (County with population 775,000 or more may protect up to \$.25)
- Certain Park & Rec. Districts
- Ports & PUDs
- Criminal Justice
- Excess levies
- Regional Transit Authority
- **New for 2025 tax year aggregate check - Rate in excess of statutory maximum rate due to levy error**

WASHINGTON STATE DEPARTMENT OF REVENUE

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5.90 Limit Calculation Group Project

Sample tax code area contains the following taxing districts.

	<u>Original Rates</u>
State School Part 1	\$2.01
State School Part 2	\$0.75
County General Levy	\$1.40
County Road	\$1.75
Library #1	\$0.50
Fire	\$1.50
Fire EMS	\$0.50
Parks & Rec (not located in King County)	\$0.60
Public Hospital	\$0.75
Cemetery	<u>\$0.10</u>
Total	\$9.86

Determine the rate for each district under the \$5.90 limitation for the 2026 tax year.

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Prorating Worksheet for the \$5.90 Aggregate Limit

Exceptions: State Levy, Ports, PUDs, Emergency Medical Services, Affordable Housing Districts, Conservation Futures Levies, County Hospital, County Ferry Districts, Criminal Justice, Regional Transit Authority, Transit Levies, Park & Rec levies under RCW 84.52.010(3)(a)(vii), rate in excess of statutory maximum rate limit due to levy error correction at no fault of the taxing district.

	Original Rate	\$5.90	Final Rate
Level 8 County General Levy	1.400000000000		1.400000000000
County - Dissolved special purpose levy			0.000000000000
County Road	1.750000000000		1.750000000000
City			0.000000000000
Total Level 8	3.150000000000		3.150000000000
Remaining Capacity After Level 8 (\$5.90 minus Total Level 8)		2.750000000000	
Level 7 Fire District (up to 50¢)	0.500000000000		0.500000000000
Regional Fire Authority (RFA) (up to 50¢)			0.000000000000
Library District	0.500000000000		0.500000000000
Public Hospital District (up to 50¢)	0.500000000000		0.500000000000
Metro Park created before 1/01/02 (up to 50¢)			0.000000000000
Total Level 7	1.500000000000		1.500000000000
Remaining Capacity After Level 7		1.250000000000	
Level 6 Fire District (Remainder of rate after Level 7) **	1.000000000000		1.000000000000
RFA (Remainder of rate after Level 7)**			0.000000000000
Total Level 6	1.000000000000		1.000000000000
Remaining Capacity After Level 6		0.250000000000	
Level 5 Metro Park created on or after 1/01/02 (up to 50¢)			0.000000000000
Total Level 5	0.000000000000		0.000000000000
Remaining Capacity After Level 5		0.250000000000	
Level 4 Public Hospital District (Remainder of rate after Level 7)	0.250000000000		0.178571428571
Metro Park (Remainder of rate after Level 5 or 7)*			0.000000000000
Cemetery District	0.100000000000		0.071428571429
Other Junior Taxing Districts (excluding exceptions)			0.000000000000
Total Level 4	0.350000000000		0.250000000000
Remaining Capacity After Level 4		0.000000000000	
Level 3 Flood Control Zone*** (District must be located in a county with a population > 775,000, or within the Chehalis River Basin to protect rate)			0.000000000000
Total Level 3	0.000000000000		0.000000000000
Remaining Capacity After Level 3		0.000000000000	
Level 2 Park & Recreation District****	0.600000000000		0.000000000000
Park & Recreation Service Area			0.000000000000
Cultural Arts, Stadium, & Convention District			0.000000000000
City Transportation Authority			0.000000000000
Total Level 2	0.600000000000		0.000000000000
Remaining Capacity After Level 2		0.000000000000	
Level 1 Cultural Access Program			0.000000000000
Aggregate Totals of Levy Rates	6.600000000000		5.900000000000
Protection of Fire District Rate, RFA, Metro Park, or Flood Control Zone Rate			
Amount of fire rate reduction at Level 6		Amount of rate to be protected **	
Amount of RFA rate reduction at Level 6		Amount of rate to be protected **	
Amount of metro park rate reduction at level 4		Amount of rate to be protected *	
Amount of flood rate reduction at level 3		Amount of rate to be protected ***	
Proration Factor Calculation			
For Level #	4		
Capacity Available / Total in the Level	0.250000000000	÷	0.350000000000 = 0.714285714286

*Up to \$0.25 may be protected by vote (RCW 84.52.120)

***Up to \$0.25 may be protected (RCW 84.52.816)

**Up to \$0.25 may be protected (RCW 84.52.125)

**** Excluding Park and Rec. levies on an island in King County

Instructions For Completing The Prorating Worksheet For The \$5.90 Aggregate Limit

- 1) This form is designed to be completed electronically by filling in the appropriate data in the highlighted cells for each tax code area.
- 2) Enter the levy rates as calculated in the Levy Limit process in the Original Rate column for each taxing district. The worksheet will automatically calculate the levy rate amount needed for each level, levy rate capacity remaining after each level, and the final levy rate for each level.
- 3) If there is not sufficient funds for all of the levies within a level, the worksheet will automatically reduce the levy rates within that level on a proportionate basis.
- 4) If you would like to verify the prorating factor used to reduce the levy rates, enter the Capacity Available and Total Rate needed for that level in the box labeled Proration Factor Calculation. The worksheet will automatically calculate the prorating factor.
- 5) If any levy rates remain after all available capacity is used, the worksheet will automatically reduce the final levy rate for those levies to zero.
- 6) If either the fire district, RFA, metro park, or flood control zone district has protected a portion of their levy rate outside of the \$5.90 limitation, note that in the box labeled Protection of Fire District, RFA, metro park, or Flood Control Zone Rate Box. The maximum rate that can be protected is \$0.25 per thousand dollars assessed value. The levy rate must be subject to a reduction before it can be protected.



5.90 Limit Calculation

Sample tax code area contains the following taxing districts.

	<u>Original Rates</u>	<u>\$5.90 Adjustment</u>	<u>Total</u>
State School Part 1	\$2.01		\$2.01
State School Part 2	\$0.75		\$0.75
County General Levy	\$1.40	\$1.40	\$1.40
County Road	\$1.75	\$1.75	\$1.75
Library #1	\$0.50	\$0.50	\$0.50
Fire	\$1.50	\$1.50	\$1.50
Fire EMS	\$0.50		\$0.50
Parks & Rec (not located in King County)	\$0.60	\$0.00	\$0.00
Public Hospital	\$0.75	\$0.67	\$0.67
Cemetery	\$0.10	\$0.07	\$0.07
Total	\$9.86	\$5.89	\$9.15

Fire Districts & Regional Fire Protection Services Authorities (RFAs) Levy Rate Protected



**RCW
84.52.125**

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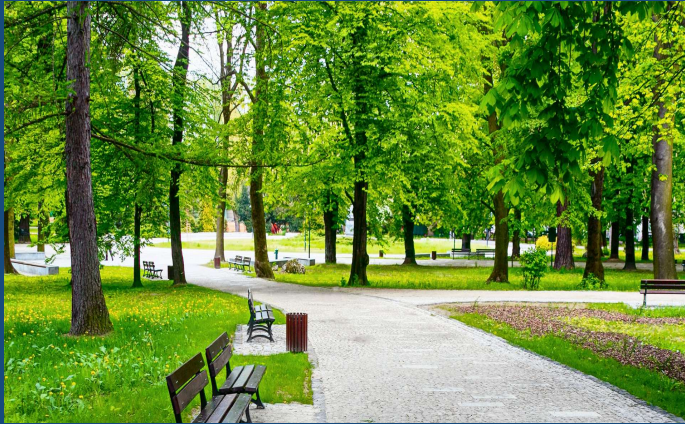
Flood Control Zone District Levy Rate Protected



**RCW
84.52.816**

WASHINGTON STATE DEPARTMENT OF REVENUE 7

Metropolitan Park District Levy Rate Protected



**RCW
84.52.120**

WASHINGTON STATE DEPARTMENT OF REVENUE 8

Levy Rate in Excess of Statutory Maximum Rate

HB 1303 – 2023 Legislation Session:

- Error in the 2023 levy calculations/2024 tax year
- No fault of the taxing district
- Correction results in a levy rate greater than statutory maximum rate limit:
 - Correction must be made over a 3-year period
 - Rate greater than stat. max. rate not subject to \$5.90 limit. First to be reduced/eliminated in Const. 1% limit.

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Agreements Between Districts



RCW 39.67.010
RCW 39.67.020

WASHINGTON STATE DEPARTMENT OF REVENUE 10



5.90 Limit Calculation

Tax Code Area No. 305 contains the following taxing districts. You have calculated rates for each district as follows:

	<u>Original Rates</u>	<u>After Prorationing</u>
County General Levy	\$1.80	
City	\$1.60	
Public Hospital #1	\$.75	
Library #1	\$.50	
Fire #3	\$.80	
Metro Park**	\$.75	
Cemetery #5	<u>\$.10</u>	
Total	\$6.30	

*** The Metropolitan Park District was created before 1/1/02 and did not vote to protect 25¢ of its levy.*

Determine the rate for each district under the \$5.90 limitation.

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Prorating Worksheet for the \$5.90 Aggregate Limit

Exceptions: State Levy, Ports, PUDs, Emergency Medical Services, Affordable Housing Districts, Conservation Futures Levies, County Hospital, County Ferry Districts, Criminal Justice, Regional Transit Authority, Transit Levies, Park & Rec levies under RCW 84.52.010(3)(a)(vii), rate in excess of statutory maximum rate limit due to levy error correction at no fault of the taxing district.

	Original Rate	\$5.90	Final Rate
Level 8 County General Levy			
County - Dissolved special purpose levy			
County Road			
City			
Total Level 8			
Remaining Capacity After Level 8 (\$5.90 minus Total Level 8)			
Level 7 Fire District (up to 50¢)			
Regional Fire Authority (RFA) (up to 50¢)			
Library District			
Public Hospital District (up to 50¢)			
Metro Park created before 1/01/02 (up to 50¢)			
Total Level 7			
Remaining Capacity After Level 7			
Level 6 Fire District (Remainder of rate after Level 7) **			
RFA (Remainder of rate after Level 7)**			
Total Level 6			
Remaining Capacity After Level 6			
Level 5 Metro Park created on or after 1/01/02 (up to 50¢)			
Total Level 5			
Remaining Capacity After Level 5			
Level 4 Public Hospital District (Remainder of rate after Level 7)			
Metro Park (Remainder of rate after Level 5 or 7)*			
Cemetery District			
Other Junior Taxing Districts (excluding exceptions)			
Total Level 4			
Remaining Capacity After Level 4			
Level 3 Flood Control Zone***			
(District must be located in a county with a population > 775,000, or within the Chehalis River Basin to protect rate)			
Total Level 3			
Remaining Capacity After Level 3			
Level 2 Park & Recreation District****			
Park & Recreation Service Area			
Cultural Arts, Stadium, & Convention District			
City Transportation Authority			
Total Level 2			
Remaining Capacity After Level 2			
Level 1 Cultural Access Program			
Aggregate Totals of Levy Rates			
Protection of Fire District Rate, RFA, Metro Park, or Flood Control Zone Rate			
Amount of fire rate reduction at Level 6		Amount of rate to be protected **	
Amount of RFA rate reduction at Level 6		Amount of rate to be protected **	
Amount of metro park reduction at level 4		Amount of rate to be protected *	
Amount of flood rate reduction at level 3		Amount of rate to be protected ***	
Proration Factor Calculation			
For Level #			
Capacity Available / Total in the Level		÷	
			=

*Up to \$0.25 may be protected by vote (RCW 84.52.120)

***Up to \$0.25 may be protected (RCW 84.52.816)

**Up to \$0.25 may be protected (RCW 84.52.125)

**** Excluding Park and Rec. levies on an island in King County

Instructions For Completing The Prorationing Worksheet For The \$5.90 Aggregate Limit

- 1) This form is designed to be completed electronically by filling in the appropriate data in the highlighted cells for each tax code area.
- 2) Enter the levy rates as calculated in the Levy Limit process in the Original Rate column for each taxing district. The worksheet will automatically calculate the levy rate amount needed for each level, levy rate capacity remaining after each level, and the final levy rate for each level.
- 3) If there is not sufficient funds for all of the levies within a level, the worksheet will automatically reduce the levy rates within that level on a proportionate basis.
- 4) If you would like to verify the prorationing factor used to reduce the levy rates, enter the Capacity Available and Total Rate needed for that level in the box labeled Proration Factor Calculation. The worksheet will automatically calculate the prorationing factor.
- 5) If any levy rates remain after all available capacity is used, the worksheet will automatically reduce the final levy rate for those levies to zero.
- 6) If either the fire district, RFA, metro park, or flood control zone district has protected a portion of their levy rate outside of the \$5.90 limitation, note that in the box labeled Protection of Fire District, RFA, Metro Park, or Flood Control 2 Rate Box. The maximum rate that can be protected is \$0.25 per thousand dollars assessed value. The levy rate must be subject to a reduction before it can be protected.

A. Yes
B. No

Does prorationing the levy rate for Cemetery District #5 affect their highest lawful levy that is carried forward to the next levy year?

TAXING DISTRICT	Cemetery #5	2025	Levy for	2026	Taxes
-----------------	-------------	------	----------	------	-------

J. Highest lawful Levy For This Tax Year (Lesser of H and I)	=	_____
K. New highest lawful levy since 1985 (Lesser of I & H minus C, unless A (before limit factor increase) is greater than I or H minus C, then A before the limit factor increase)	=	_____

WASHINGTON STATE DEPARTMENT OF REVENUE 11

Does prorationing the levy rate for Cemetery District #5 affect their highest lawful levy that is carried forward to the next levy year?

B. No

WAC 458-19-065(2)

WASHINGTON STATE DEPARTMENT OF REVENUE 12

What levy rate for Cemetery District #5 will be carried forward to next year's levy calculations?

LEVY LIMITATIONS WORKSHEET

TAXING DISTRICT Cemetery #5 2026 Levy for 2027 Taxes

Instructions for electronic version of form - Fill in highlighted cells all other self populate.

A. Highest regular tax which could have been lawfully levied beginning with the 1985 levy (refund levy not included).				
Year	x	Highest Lawful Levy Since 1985	Limit Factor/Max Increase 101%	= \$0.00
B. Current year's assessed value of new construction, improvements, and wind turbines, solar, biomass, and geothermal facilities in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).				
A.V.	x	Last Year's Levy Rate	÷ \$1,000	= \$0.00
C. Tax increment finance area increment AV increase (RCW 84.55.010(1)(e)) (value included in B & D cannot be included in C)				
A.V.	x	0.000000000000	÷ \$1,000	= \$0.00
D. Current year's state assessed property value less last year's state assessed property value. The remainder is to be multiplied by last year's regular levy rate (or the rate that should have been levied).				
Current Year's A.V.	-	Previous Year's A.V.	= \$	Remainder
\$0	x	0.000000000000	÷ \$1,000	= \$0.00
Remainder from Line D		Last Year's Levy Rate		
E. Regular property tax limit:			A+B+C+D	= \$0.00

WASHINGTON STATE DEPARTMENT OF REVENUE 13

The prorated rate!

LEVY LIMITATIONS WORKSHEET

TAXING DISTRICT Cemetery #5 2026 Levy for 2027 Taxes

Instructions for electronic version of form - Fill in highlighted cells all other self populate.

A. Highest regular tax which could have been lawfully levied beginning with the 1985 levy (refund levy not included).				
Year	x	Highest Lawful Levy Since 1985	Limit Factor/Max Increase 101%	= \$0.00
B. Current year's assessed value of new construction, improvements, and wind turbines, solar, biomass, and geothermal facilities in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).				
A.V.	x	0.033330000000	÷ \$1,000	= \$0.00
C. Tax increment finance area increment AV increase (RCW 84.55.010(1)(e)) (value included in B & D cannot be included in C)				
A.V.	x	0.033330000000	÷ \$1,000	= \$0.00
D. Current year's state assessed property value less last year's state assessed property value. The remainder is to be multiplied by last year's regular levy rate (or the rate that should have been levied).				
Current Year's A.V.	-	Previous Year's A.V.	= \$	Remainder
\$0	x	0.033330000000	÷ \$1,000	= \$0.00
Remainder from Line D		Last Year's Levy Rate		
E. Regular property tax limit:			A+B+C+D	= \$0.00

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Chapter 8

Ratio Study & 1% Constitutional Limit

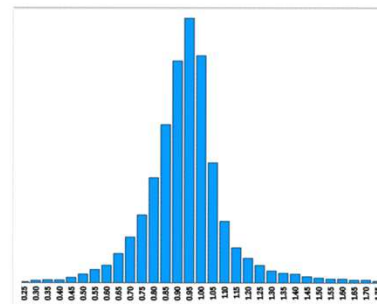
Presented by Melissa Olivas
Supervisor, County Performance and Administration
MelissaO@dor.wa.gov
(360) 534-1425



Ratio Study

Measures two primary aspects of mass appraisal accuracy:

- Level of Assessment
- Uniformity of assessment



Ratio Study



WASHINGTON STATE DEPARTMENT OF REVENUE 3

Equalization of State School Levy

County Real Property Taxable Value / County Ratio % = T&F Market Value

County A: \$841 Billion / 99% = \$849.4 Billion

County B: \$9 Billion / 80% = \$11,250 Billion

Total Levy Amount / Total Market Value = Equalized Levy Rate per
\$1,000 market value

\$3,656,957,220 / \$2,254,000,000,000 = \$1.62243 per \$1,000 Market Value

WASHINGTON STATE DEPARTMENT OF REVENUE 4

Equalization of State School Levy

True and fair market value: $\$100,000 * \$1.62243 / 1,000 = \$162.24$

County A – 99% Ratio $\$99,000 * \$1.62243 = \$160.62$

County B – 80% Ratio $\$80,000 * \$1.62243 = \$129.79$

WASHINGTON STATE DEPARTMENT OF REVENUE 5

Equalization of State School Levy

Certified levy amount / county taxable value = county levy rate

County A: $\$2,458,230 / \$1,500,000,000 / 1,000 = \1.63882 per \$1,000 AV

County B: $\$2,535,037 / \$1,250,000,000 / \$1,000 = \2.02803 per \$1,000 AV

County A: $\$99,000 * \$1.63882 / 1,000 = \$162.24$

County B: $\$80,000 * \$2.02803 / 1,000 = \$162.24$

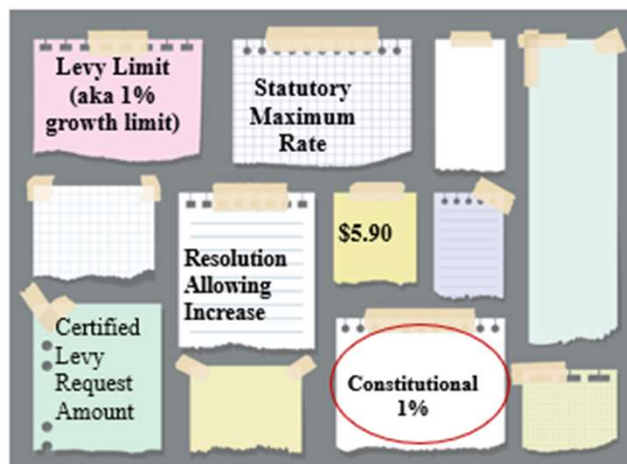
WASHINGTON STATE DEPARTMENT OF REVENUE 6

Equalization of State/Centrally Assessed Properties



WASHINGTON STATE DEPARTMENT OF REVENUE 7

Levy Limitations: Regular Levies



WASHINGTON STATE DEPARTMENT OF REVENUE 8

Constitutional 1% Aggregate Limit

- \$10 per \$1,000 Market Value
- Regular levies except PUDs and Port Districts
- May be exceeded by a vote
- RCW 84.52.050 and RCW 84.52.010

WASHINGTON STATE DEPARTMENT OF REVENUE 9

Effective Rate Calculation

- Real and personal property ratio
- 1% = \$10 per \$1,000 assessed value
- Divide \$10 by the higher of the two ratios

$$\text{\$10.00} / 95\% = \text{\$10.526315 effective rate}$$

WASHINGTON STATE DEPARTMENT OF REVENUE 10

Aggregate of Taxing District Levies

Individual exercise #8-A

	<u>District</u>	<u>Original Rate</u>
Real Property Ratio – 80.0%	State School Part 1	\$2.2600
	State School Part 2	\$0.9000
	County General	\$1.8000
	County Road	\$2.1500
	Regional Transit Authority	\$0.2500
	Fire District*	\$0.9500
	Library	\$0.5000
	Public Hospital	\$0.5000
	EMS	\$0.5000
	Conservation Futures	\$0.0500
	Affordable Housing	\$0.5000
	Total	\$10.3600
Personal Property Ratio – 99.0%		

*Fire district - \$0.25 rate protected from \$5.90

WASHINGTON STATE DEPARTMENT OF REVENUE

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Prorationing Worksheet for the 1% Constitutional Limit

Exceptions Ports, Public Utility Districts, and Excess Levies

Calculation of an Effective Rate

TCA

Exercise 8A

Real Property Ratio
Personal Property Ratio

80.0

99.0

EffectiveRate (\$10 divided by the greater of the real
and personal property ratio)

\$10.1010101010

		Original Rate	Final Rate
Level 19	State Levy Part 1	2.260000000000	2.260000000000
	State Levy Part 2	0.900000000000	0.900000000000
	Total Level 19	3.160000000000	3.160000000000
	Remaining Capacity After Level 19 (Effective rate minus Total Level 19)	6.941010101010	
Level 18	County General	1.800000000000	1.800000000000
	County Dissolved Special Purpose Levy		0.000000000000
	County Road	2.150000000000	2.150000000000
	City		0.000000000000
	Regional Transit Authority	0.250000000000	0.250000000000
	Total Level 18	4.200000000000	4.200000000000
	Remaining Capacity After Level 18	2.741010101010	
Level 17	Fire District (up to 50¢)	0.500000000000	0.500000000000
	Fire Prot. Svc. Authority (up to 50¢)		0.000000000000
	Library District	0.500000000000	0.500000000000
	Public Hospital District (up to 50¢)	0.500000000000	0.500000000000
	Metro Park created before 1/01/02 (up to 50¢)		0.000000000000
	Total Level 17	1.500000000000	1.500000000000
	Remaining Capacity After Level 17	1.241010101010	
Level 16	Fire District (Remainder of rate after Level 17)*	0.200000000000	0.200000000000
	Fire Prot. Svc. Authority (Rem. of rate after Level 17)		0.000000000000
	*Fire district rate in level 16 & 17 must balance with unprotected \$5.90 rate		
	Total Level 16	0.200000000000	0.200000000000
	Remaining Capacity After Level 16	1.041010101010	
Level 15	Metro Park created on or after 1/01/02 (up to 50¢) (Portion not protected under \$5.90)		0.000000000000
	Total Level 15	0.000000000000	0.000000000000
	Remaining Capacity After Level 15	1.041010101010	
Level 14	Public Hospital District (Remainder of rate after Level 17)		0.000000000000
	Metro Park (Remainder of rate after Level 15 or 17)		0.000000000000
	Cemetery District		0.000000000000
	Other Junior Taxing Districts (excluding exceptions)		0.000000000000
	Total Level 14	0.000000000000	0.000000000000
	Remaining Capacity After Level 14	1.041010101010	
Level 13	Flood Control Zone (Portion of levy not protected RCW 84.52.816)		0.000000000000
	Total Level 13	0.000000000000	0.000000000000
	Remaining Capacity After Level 13	1.041010101010	
Level 12	Park & Recreation District		0.000000000000
	Park & Recreation Service Area		0.000000000000
	Cultural Arts, Stadium & Convention District		0.000000000000
	City Transportation Authority		0.000000000000
	Total Level 12	0.000000000000	0.000000000000
	Remaining Capacity After Level 12	1.041010101010	
Level 11	Cultural Access Program		0.000000000000
	Total Level 11	0.000000000000	0.000000000000
	Remaining Capacity After Level 11	1.041010101010	
Level 10	Emergency Medical Services (Up to 30¢)	0.300000000000	0.300000000000
	Total Level 10	0.300000000000	0.300000000000
	Remaining Capacity After Level 10	0.741010101010	

Level 9	Conservation Futures	0.050000000000	0.049400673401
	Affordable Housing	0.500000000000	0.494006734007
	Emergency Medical Svc. (Remainder after Level 10)	0.200000000000	0.197602693603
	County Hospital		0.000000000000
	Total Level 9	0.750000000000	0.741010101010
	Remaining Capacity After Level 9	0.000000000000	
Level 8	Park & Rec. Dist. Located on an island in King County		0.000000000000
	Total Level 8	0.000000000000	0.000000000000
	Remaining Capacity After Level 8	0.000000000000	
Level 7	Metropolitan Park (If protected under the \$5.90 Limit) (District population must be 150,000 or more)		0.000000000000
	Total Level 7	0.000000000000	0.000000000000
	Remaining Capacity After Level 7	0.000000000000	
Level 6	County Ferry District		0.000000000000
	Total Level 6	0.000000000000	0.000000000000
	Remaining Capacity After Level 6	0.000000000000	
Level 5	Criminal Justice		0.000000000000
	Total Level 5	0.000000000000	0.000000000000
	Remaining Capacity After Level 5	0.000000000000	
Level 4	Fire Protection District (Portion, if any, protected from \$5.90 proration RCW 84.52.125)	0.250000000000	0.000000000000
	Total Level 4	0.250000000000	0.000000000000
	Remaining Capacity After Level 4	0.000000000000	
Level 3	Transit Levy		0.000000000000
	Total Level 3	0.000000000000	0.000000000000
	Remaining Capacity After Level 3	0.000000000000	
Level 2	Flood Control Zone District (Portion, if any, protected from \$5.90 proration in RCW 84.52.816)		0.000000000000
	Total Level 2	0.000000000000	0.000000000000
	Remaining Capacity After Level 2	0.000000000000	
Level 1	Rate in excess of statutory maximum rate limit resulting from levy error at no fault of the taxing district.		0.000000000000
	Total Level 1	0.000000000000	0.000000000000
	Remaining Capacity After Level 1	0.000000000000	
Aggregate of Levy Rates		10.360000000000	10.101010101010
Proration Factor Calculation			
For Level # <u>8</u>			
Capacity Available / Total in the Level <u>0.741000000000</u> + <u>0.750000000000</u> = <u>0.988000000000</u>			



Instructions for Completing the Prorationing Worksheet for the One Percent Constitutional Limit

- 1) Fill in highlighted cells. The remaining cells contain formulas to determine and reduce individual levy rates if the aggregate levy rate exceeds one percent of true and fair market value (effective rate) of any property.
- 2) The effective rate is calculated by dividing \$10.00 by the greater of the county's real or personal property assessment ratio as determined by the Department of Revenue.
- 3) In the column labeled "Original Rate," enter the taxing districts levy rates as calculated in the levy limit process or the reduced rate from the \$5.90 limitation in the appropriate Level. For example, the State Levy rates would be entered in Level 18. RCW 84.52.010 provides the
- 4) The automated form will total the levy rates for each level of protection and determine if there is sufficient capacity for each level. If there is not sufficient levy capacity to fully fund the levy rates within a level, all rates within that level are prorated uniformly.
- 5) To see the prorationing factor used to reduce the levy rates, enter the rate capacity available for that level and the total levy rate originally needed for that level in the Proration Factor Calculation section at the bottom of the form.
- 6) If any levy rates remain after all the available capacity is used, the remaining rates are reduced to zero.
- 7) The Aggregate of Final Levy Rates will equal or be less than the effective rate limit.
- 8) The rate in Level 1, must be from a levy error that occurred for the 2024 tax year or subsequent tax year.

To ask about the availability of this publication in an alternate format, please call 360-705-6705. Teletype (TTY) users may use the Washington Relay Service by calling 711. For tax assistance, call 360-534-1400.

Effect of Prorating: Constitutional 1%

District	Original Rate	Prorated Rate
State School Part 1	\$2.2600	\$2.2600
State School Part 2	\$0.9000	\$0.9000
County General	\$1.8000	\$1.8000
County Road	\$2.1500	\$2.1500
Regional Transit Authority	\$0.2500	\$0.2500
Fire District	\$0.9500	\$0.7000
Library	\$0.5000	\$0.5000
Public Hospital	\$0.5000	\$0.5000
EMS	\$0.5000	\$0.4976
Conservation Futures	\$0.0500	\$0.0494
Affordable Housing	\$0.5000	\$0.4940
Total	\$10.3600	\$10.1010

WASHINGTON STATE DEPARTMENT OF REVENUE 18

Remember:



- Complete \$5.90 aggregate limit before the Constitutional 1% limit.



- Carry forward the prorated or eliminated rate from the \$5.90 aggregate limit to the Constitutional 1% limit.

WASHINGTON STATE DEPARTMENT OF REVENUE 19

True or False:

The prorationing of the conservation futures levy, affordable housing levy, or EMS levy rates effects their highest lawful levy carried forward for the 2026 tax year.

TAXING DISTRICT	Affordable Housing	2024	Levy for	2025	Taxes
J. Highest lawful Levy For This Tax Year (Lesser of H and I) = \$0.00					
K. New highest lawful levy since 1985 (if lesser of I & H minus C, unless A (before limit factor increase) is greater than I or H minus C, then A before the limit factor increase) = \$0.00					

WASHINGTON STATE DEPARTMENT OF REVENUE 20

Answer:

The prorationing of the conservation futures levy, affordable housing levy, or EMS levy rates effects their highest lawful levy carried forward for the 2026 tax year.

FALSE

WAC 458-19-065(2)



WASHINGTON STATE DEPARTMENT OF REVENUE 21

What levy rate for the EMS levy will be carried forward to next year's levy calculations?

TAXING DISTRICT	EMS Levy	2026	Levy for	2027	Taxes
Instructions for electronic version of form - Fill in highlighted cells all other self populate.					
A. Highest regular tax which could have been lawfully levied beginning with the 1985 levy (refund levy not included).					
Year	2025	\$838,470.00	x	101.000%	= \$846,854.70
		<small>Highest Lawful Levy Since 1985</small>			<small>Limit Factor/Max Increase 101%</small>
B. Current year's assessed value of new construction, improvements, and wind turbines, solar, biomass, and geothermal facilities in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).					
	\$5,036,058	x	Last Year's Levy Rate	÷	\$1,000
	A.V.				
C. Tax increment finance area increment AV increase (RCW 84.55.010(1)(e)) (value included in B & D cannot be included in C)					
		x	0.000000000000	÷	\$1,000
	A.V.				
D. Current year's state assessed property value less last year's state assessed property value. The remainder is to be multiplied by last year's regular levy rate (or the rate that should have been levied).					
	\$15,000,000	-	\$16,000,000	=	\$ (1,000,000.00)
	Current Year's A.V.	Previous Year's A.V.		Remainder	
	0	x	0.000000000000	÷	\$1,000
	Remainder from Line D	Last Year's Levy Rate			
E. Regular property tax limit:					A+B+C+D = \$846,854.70

WASHINGTON STATE DEPARTMENT OF REVENUE 22

The final prorated rate: \$0.4976

WAC 458.12.005(2)(m)(i)

TAXING DISTRICT	EMS Levy	2026	Levy for	2027	Taxes
Instructions for electronic version of form - Fill in highlighted cells all other self populate.					
A. Highest regular tax which could have been lawfully levied beginning with the 1985 levy (refund levy not included).					
Year	2025	\$838,470.00	x	101.000%	= \$846,854.70
		<small>Highest Lawful Levy Since 1985</small>			<small>Limit Factor/Max Increase 101%</small>
B. Current year's assessed value of new construction, improvements, and wind turbines, solar, biomass, and geothermal facilities in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).					
	\$5,036,058	x	0.497600000000	÷	\$1,000
	A.V.	Last Year's Levy Rate			
C. Tax increment finance area increment AV increase (RCW 84.55.010(1)(e)) (value included in B & D cannot be included in C)					
		x	0.497600000000	÷	\$1,000
	A.V.				
D. Current year's state assessed property value less last year's state assessed property value. The remainder is to be multiplied by last year's regular levy rate (or the rate that should have been levied).					
	\$15,000,000	-	\$16,000,000	=	\$ (1,000,000.00)
	Current Year's A.V.	Previous Year's A.V.		Remainder	
	0	x	0.497600000000	÷	\$1,000
	Remainder from Line D	Last Year's Levy Rate			
E. Regular property tax limit:					A+B+C+D = \$849,360.64

WASHINGTON STATE DEPARTMENT OF REVENUE 23



Constitutional 1% Limit Calculation

Tax Code Area # 104 includes the following taxing districts. You have already checked the \$5.90 limit. The 2025 tax year levy rate for each district is as follows:

<u>District</u>	<u>Rate after \$5.90 check</u>	<u>Rate after 1% check</u>
State Levy Part 1	\$1.9500	
State Levy Part 2	\$0.8500	
County General	\$1.8000	
City	\$2.8650	
Public Hospital #2	\$0.2850	
Fire #4*	\$0.5350	
Library #1	\$0.2000	
Affordable Housing	\$0.3050	
Emergency Medical Service	\$0.5000	
Conservation Futures	\$0.0600	
County Ferry District	\$0.6000	
Criminal Justice	\$0.4500	
Transit Levy	<u>\$0.7500</u>	
Totals	\$11.1500	

The following ratios have been calculated for this county:

Personal Property Ratio = 95%

Real Property Ratio = 82%

***The fire district protected \$0.0350 of their levy outside of the \$5.90 limitation.**

Determine the rate for each district under the Constitutional 1% limit.

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Prorationing Worksheet for the 1% Constitutional Limit

Exceptions Ports, Public Utility Districts, and Excess Levies

Calculation of an Effective Rate

TCA

Real Property Ratio

Personal Property Ratio

EffectiveRate (\$10 divided by the greater of the real and personal property ratio)

		Original Rate	Final Rate
Level 19	State Levy Part 1		
	State Levy Part 2		
	Total Level 19		
	Remaining Capacity After Level 19 (Effective rate minus Total Level 19)		
Level 18	County General		
	County Dissolved Special Purpose Levy		
	County Road		
	City		
	Regional Transit Authority		
	Total Level 18		
	Remaining Capacity After Level 18		
Level 17	Fire District (up to 50¢)		
	Fire Prot. Svc. Authority (up to 50¢)		
	Library District		
	Public Hospital District (up to 50¢)		
	Metro Park created before 1/01/02 (up to 50¢)		
	Total Level 17		
	Remaining Capacity After Level 17		
Level 16	Fire District (Remainder of rate after Level 17)*		
	Fire Prot. Svc. Authority (Rem. of rate after Level 17)		
	*Fire district rate in level 16 & 17 must balance with unprotected \$5.90 rate		
	Total Level 16		
	Remaining Capacity After Level 16		
Level 15	Metro Park created on or after 1/01/02 (up to 50¢)		
	(Portion not protected under \$5.90)		
	Total Level 15		
	Remaining Capacity After Level 15		
Level 14	Public Hospital District (Remainder of rate after Level 17)		
	Metro Park (Remainder of rate after Level 15 or 17)		
	Cemetery District		
	Other Junior Taxing Districts (excluding exceptions)		
	Total Level 14		
	Remaining Capacity After Level 14		
Level 13	Flood Control Zone		
	(Portion of levy not protected RCW 84.52.816)		
	Total Level 13		
	Remaining Capacity After Level 13		
Level 12	Park & Recreation District		
	Park & Recreation Service Area		
	Cultural Arts, Stadium & Convention District		
	City Transportation Authority		
	Total Level 12		
	Remaining Capacity After Level 12		
Level 11	Cultural Access Program		
	Total Level 11		
	Remaining Capacity After Level 11		
Level 10	Emergency Medical Services (Up to 30¢)		
	Total Level 10		
	Remaining Capacity After Level 10		

Level 9	Conservation Futures		
	Affordable Housing		
	Emergency Medical Svc. (Remainder after Level 10)		
	County Hospital		
	Total Level 9		
	Remaining Capacity After Level 9		
Level 8	Park & Rec. Dist. Located on an island in King County		
	Total Level 8		
	Remaining Capacity After Level 8		
Level 7	Metropolitan Park (If protected under the \$5.90 Limit) (District population must be 150,000 or more)		
	Total Level 7		
	Remaining Capacity After Level 7		
Level 6	County Ferry District		
	Total Level 6		
	Remaining Capacity After Level 6		
Level 5	Criminal Justice		
	Total Level 5		
	Remaining Capacity After Level 5		
Level 4	Fire Protection District (Portion, if any, protected from \$5.90 proration RCW 84.52.125)		
	Total Level 4		
	Remaining Capacity After Level 4		
Level 3	Transit Levy		
	Total Level 3		
	Remaining Capacity After Level 3		
Level 2	Flood Control Zone District (Portion, if any, protected from \$5.90 proration in RCW 84.52.816)		
	Total Level 2		
	Remaining Capacity After Level 2		
Level 1	Rate in excess of statutory maximum rate limit resulting from levy error at no fault of the taxing district.		
	Total Level 1		
	Remaining Capacity After Level 1		
Aggregate of Levy Rates			—
Proration Factor Calculation			
For Level # _____			
Capacity Available / Total in the Level _____ ÷ _____ = _____			



Instructions for Completing the Prorationing Worksheet for the One Percent Constitutional Limit

- 1) Fill in highlighted cells. The remaining cells contain formulas to determine and reduce individual levy rates if the aggregate levy rate exceeds one percent of true and fair market value (effective rate) of any property.
- 2) The effective rate is calculated by dividing \$10.00 by the greater of the county's real or personal property assessment ratio as determined by the Department of Revenue.
- 3) In the column labeled "Original Rate," enter the taxing districts levy rates as calculated in the levy limit process or the reduced rate from the \$5.90 limitation in the appropriate Level. For example, the State Levy rates would be entered in Level 18. RCW 84.52.010 provides the
- 4) The automated form will total the levy rates for each level of protection and determine if there is sufficient capacity for each level. If there is not sufficient levy capacity to fully fund the levy rates within a level, all rates within that level are prorated uniformly.
- 5) To see the prorationing factor used to reduce the levy rates, enter the rate capacity available for that level and the total levy rate originally needed for that level in the Proration Factor Calculation section at the bottom of the form.
- 6) If any levy rates remain after all the available capacity is used, the remaining rates are reduced to zero.
- 7) The Aggregate of Final Levy Rates will equal or be less than the effective rate limit.
- 8) The rate in Level 1, must be from a levy error that occurred for the 2024 tax year or subsequent tax year.

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Chapter 9 State Levy

September 2025

Kari Kenall | karik@dor.wa.gov | (360) 534-1508

WASHINGTON STATE DEPARTMENT OF REVENUE

1



A County Taxing District



- A single county communicates with many taxing districts to establish levies for each district.
- For joint districts, the county communicates with at least one other county.
- The county levy applies to every taxable property in the county.

WASHINGTON STATE DEPARTMENT OF REVENUE

2



The State's Taxing District



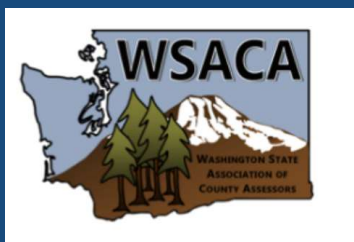
- The entire state. All 39 counties.
- To calculate Part 1 and Part 2 of the State Levy, all 39 counties must submit information to the Department.
- YES! One county can hold up the entire state levy process.

WASHINGTON STATE DEPARTMENT OF REVENUE 3



State Levy Report Sources

County Assessors



County Treasurers



Department of Revenue



WASHINGTON STATE DEPARTMENT OF REVENUE 4

Assessors - Final Values report

Requested late January

Do not include the following in these values:

- Timber assessed value (TAV)
- State-assessed property value
- Exempt property value (such as Senior citizen, SFR improvement, historical, government, qualified farm M&E personal property, etc.)

	2023 Locally-Assessed Value subject to the State Levy - Part 1	2023 Locally-Assessed Value subject to the State Levy - Part 2
1. Real Property		
2. Personal Property		
3. New construction, improvements, and wind turbines (Also included in #1.)		
4. State taxes recovered from highly valued disputed property settlements in 2023		

WASHINGTON STATE DEPARTMENT OF REVENUE 5

Assessors – Abstract of Assessed Values

Requested September

4-tabbed Excel Workbook

Timeliness is important! It is this document that we use to make the final state levy calculation.

Department of Revenue
Washington State

2025 Abstract of Assessed Value
County, Washington

Due Date: October 31, 2025

SENIOR CITIZEN REGULAR LEVY EXEMPTION (RCW 84.36.381)

Income level	Number of participants	Market value	Frozen value	Portion of FROZEN value exempt from regular levies	Value exe
Threshold level 1					
Threshold level 2					
Threshold level 3					
Total	-	-	-	-	-

Current income requirements for each threshold level can be found at:
https://dor.wa.gov/sites/default/files/2023-08/Income_ThreshTY24-26.pdf

CURRENT USE ASSESSMENT ACT AGREEMENTS AND/OR APPLICATIONS (chapter 84.34 RCW)

- Total number of active participants (not parcels) effective on January 1, 2025.
- Number of applications (not parcels) processed and approved in calendar year 2024 that became effective on January 1, 2025. (Include in total of # 1.)

SINGLE FAMILY RESIDENTIAL IMPROVEMENT EXEMPTION (RCW 84.36.400)

- Number of applications approved for 2025.
- Amount of value exempted for those approved in 2025.

NEW CONSTRUCTION, IMPROVEMENTS TO PROPERTY, AND WIND TURBINES, SOLAR, BIOMASS, AND GEOTHERMAL FACILITIES (SUBJECT TO STATE LEVY)

Part 1

- Taxable value of new construction added to the 2025 assessment roll.
- Value of improvements to property added to the 2025 assessment roll.
- Taxable value of wind turbines added to the 2025 assessment roll
(Do not include any value that is exempt from state levies)

Abstract page 1 | Abstract page 2 | Abstract page 3 | Abstract page 4

WASHINGTON STATE DEPARTMENT OF REVENUE 6



2025 Abstract of Assessed Value

County, Washington

Due Date: October 31, 2025

SENIOR CITIZEN REGULAR LEVY EXEMPTION (RCW 84.36.381)

Income level	Number of participants	Market value	Frozen value	Portion of FROZEN value exempt from regular levies	Value exempt from state levy - part 2
Threshold level 1					
Threshold level 2					
Threshold level 3					
Total	-	-	-	-	-

Current income requirements for each threshold level can be found at:

https://dor.wa.gov/sites/default/files/2023-08/Income_ThreshTY24-26.pdf

CURRENT USE ASSESSMENT ACT AGREEMENTS AND/OR APPLICATIONS (chapter 84.34 RCW)

1. Total number of active participants (not parcels) effective on January 1, 2025.
2. Number of applications (not parcels) processed and approved in calendar year 2024 that became effective on January 1, 2025. (Include in total of # 1.)

SINGLE FAMILY RESIDENTIAL IMPROVEMENT EXEMPTION (RCW 84.36.400)

1. Number of applications approved for 2025.
2. Amount of value exempted for those approved in 2025.

Abstract Report

Page 1

7

NEW CONSTRUCTION, IMPROVEMENTS TO PROPERTY, AND WIND TURBINES, SOLAR, BIOMASS, AND GEOTHERMAL FACILITIES (SUBJECT TO STATE LEVY)

	Part 1	Part 2
1. Taxable value of new construction added to the 2025 assessment roll.		
2. Value of improvements to property added to the 2025 assessment roll.		
3. Taxable value of wind turbines added to the 2025 assessment roll (Do not include any value that is exempt from state levies).		
4. Taxable value of solar facilities added to the 2025 assessment roll (Do not include any value that is exempt from state levies).		
5. Taxable value of biomass facilities added to the 2025 assessment roll.		
6. Taxable value of geothermal facilities added to the 2025 assessment roll.		
	Part 1	Part 2
Total taxable new construction, improvements, and facilities (Total of 1 through 6 above).	-	-

HIGHLY VALUED DISPUTED PROPERTY

	State Levy - Part 1	State Levy - Part 2
1. Taxes due from highly valued disputed property during 2025 – state levy portion only. (calculate the taxes due from resolved highly valued disputed property decisions during 2025 by multiplying the value added back on the assessment roll by the state rate levied)		
2. Do you expect to have additional highly valued disputed property cases settled prior to December 31, 2025? <input type="checkbox"/> YES <input type="checkbox"/> NO		

Abstract Report

Page 1 – Cont.

No. Category	Acres	Land Value	Improvement Value	Senior Citizen Exempt Value State Levy - Part 1	Total Value State Levy - Part 1	Senior Citizen Exempt Value State Levy - Part 2	Total Value State Levy - Part 2
FOREST LAND							
1. Designated ¹ (RCW 84.33.035 and .130)			report in #6		-		-
Does the Designated Forest Land above included merged Timber Land? <input type="checkbox"/> YES <input type="checkbox"/> NO							
Current Use Assessments under the Open Space Taxation Act (CH 84.34 RCW)							
CURRENT USE VALUE							
2. Open Space					-		-
3. Farm and Agricultural					-		-
4. Timber Land ¹ (RCW 84.34.060)			report in #6		-		-
5. Total Current Use Value		-	-	-	-	-	-
ALL OTHER REAL PROPERTY							
6. All Other Real Property ²					-		-
TOTAL REAL PROPERTY							
7. Total of Items 1 to 6		-	-	-	-	-	-
Current Use Assessments under the Open Space Taxation Act (CH 84.34 RCW)							
TRUE AND FAIR VALUE							
8. Open Space							
9. Farm and Agricultural							
10. Timber Land							
11. Total True and Fair Value		-	-				

Abstract Report
Page 2

No. Category	Number of Accounts ¹	Assessed Value for LOCAL Levy Calculations
1. All agricultural machinery and equipment accounts. The value reported here should be LARGER than the value reported in #3 below. (Include accounts receiving the farm M&E exemption from the state levies).		
2. ^{VIEW} All renewable energy accounts. The value reported here should be LARGER than the value reported in #5 below. (Include accounts receiving the renewable energy personal property exemption from state levies).		
Assessed Value for STATE Levy - Part 1 Calculation		
3. Agricultural machinery and equipment subject to BOTH state and local levies. Should be LESS THAN #1 above because farm M&E exempt from the state levies is not included. ²		
4. Industrial machinery and equipment, used in manufacturing, contracting, logging, and mining establishments		
5. All other machinery, equipment, furniture, tools, wind turbines, solar, etc. Should be LESS THAN #2 above because renewable energy personal property exempt from the state levies is not included.		
6. Value of supplies and materials that are not held for resale and not ingredients or components of an article produced for sale. (Only included the value of supplies & materials not reported elsewhere).		
7. Property, franchises, and easements of intra-county public utilities		
8. Taxable improvements located on exempt property (for example, privately owned homes, cabins or commercial/industrial buildings, etc. on publicly owned lands).		
9. All other items of personal property subject to property tax that were not counted above including mobile homes not considered as real property		
10. Head of Family exempt amounts (Only enter exempt portion)		
11. Total Personal Property for the State Levy Calculation:	-	-
12. Total Personal Property for Local Levies:	-	-
13. Accounts that take the \$500 exemption		

Abstract Report
Page 3

Category	DOR Land Use Code	Number of Parcels	Land Assessed Value \$	Improvement Assessed Value \$	Senior Citizen Exempt Value State Levy - Part 1 \$	Total Assessed Value State Levy - Part 1 \$	Senior Citizen Exempt Value State Levy - Part 2 \$	Total Assessed Value State Levy - Part 2 \$
Single family residential ¹	11, 14, 18, 19					-		-
Multiple family residential	12, 13					-		-
Manufacturing	21-39					-		-
Commercial establishment	15-17, 41-79					-		-
Agricultural not in "Current Use"	81					-		-
Other Real Property	82-99					-		-
TOTAL REAL PROPERTY						-		-
Parcels that take \$500 exemption								

Treasurers - Refund Report



Please note, the wording and format of this *draft* document may change.

- **Refund report**
 - Requested late October and **due November 30**
 - Includes *ONLY* court ordered refunds, interest, and administrative costs.

REFUND FUND LEVY

____ County, Washington

Each year, we are required to include a refund fund levy in the state levy calculation when there is a court judgement in favor of a taxpayer who paid the tax under protest alleging that the tax was unlawful or excessive and the court has determined a judgement amount to be refunded to the taxpayer (Chapter 84.68 RCW).

A court judgement is the only type of property tax refund allowed in the refund fund levy for the state levy calculation.

If your county has experienced such a decision in the preceding twelve months, or if you expect a decision before December 15, 2023, please report the amounts attributable to the state school levy parts 1 and 2 portion of the refund. Each decision needs to be reported separately.

If your county has not experienced such a decision, please enter zeros in the space provided.

Please complete and return to the Department by November 22nd, 2023. If you have any questions, please contact Erika Ferrara - ErkkaF@dor.wa.gov or (800) 534-1517.

State Property Tax Levy - Part 1

	Decision #1	Decision #2	Decision #3	Total
1 Tax Refund				
2 Applicable Interest				
3 Administrative Costs				

State Property Tax Levy - Part 2

	Decision #1	Decision #2	Decision #3	Total
1 Tax Refund				
2 Applicable Interest				
3 Administrative Costs				

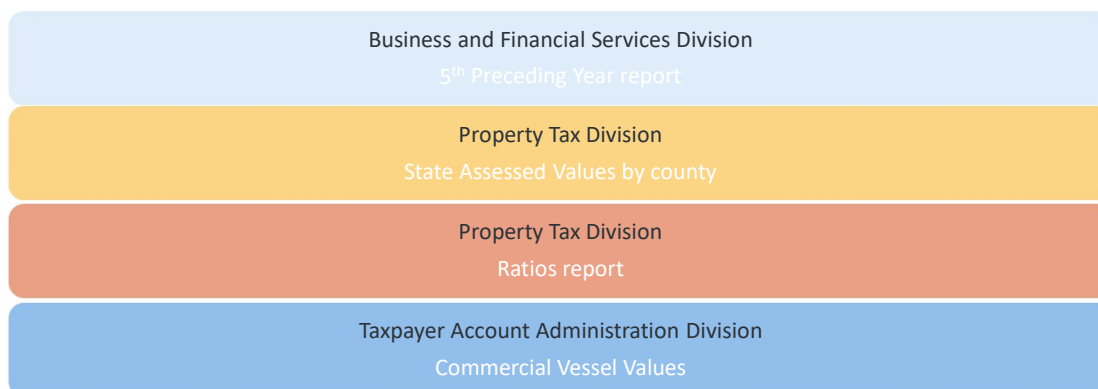
WASHINGTON STATE DEPARTMENT OF REVENUE

12



Department of Revenue

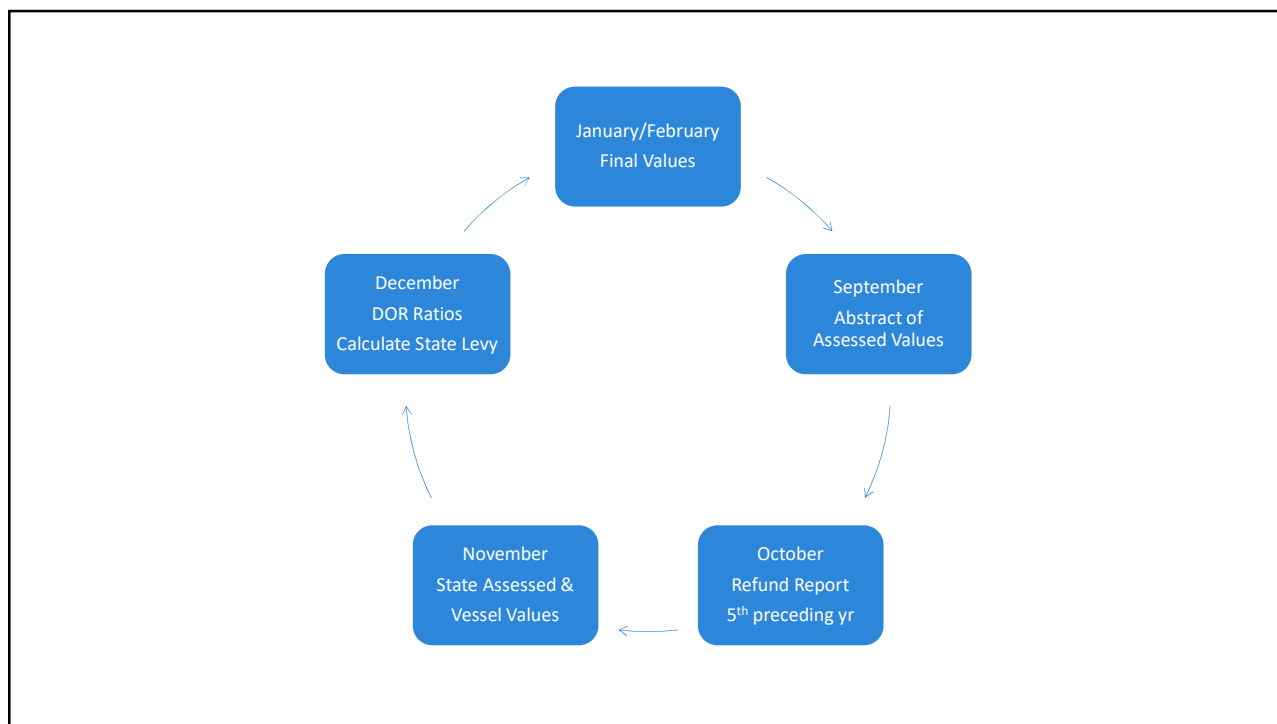
Part 1 and Part 2 of the State Levy calculation require reports from other divisions within the Department of Revenue.



WASHINGTON STATE DEPARTMENT OF REVENUE 13

We MUST receive all reports
– from all counties –
before we can calculate the state levies.

Timeliness is everything!



State Levy Calculation Budget- Based

- Highest Lawful Levy from the past 3 years
- IPD or 101% increase
- Increase from new construction and state assessed

Part 1

<u>\$1,697.73</u>	×	<u>101%</u>	=	<u>\$1,714.71</u>
Highest Lawful Levy		Increase (IPD)		
<u>\$10,500.00</u>	×	<u>1.40000</u> / 1000 =		<u>\$14.70</u>
New Construction		Previous year's rate		
<u>\$750.00</u>	×	<u>1.40000</u> / 1000 =		<u>\$1.05</u>
State AV increase		Previous year's rate		
New State Levy				<u>\$1,730.46</u>



State Levy Calculation Budget-Based

- Highest Lawful Levy from the past 3 years
- IPD or 101% increase
- Increase from new construction and

Part 2

<u>\$879.81</u>	×	<u>101%</u>	=	<u>\$888.61</u>
Highest Lawful Levy		Increase (IPD)		
<u>\$10,500.00</u>	×	<u>0.75000</u> / 1000 =		<u>\$7.88</u>
New Construction		Previous year's rate		
<u>\$750.00</u>	×	<u>0.75000</u> / 1000 =		<u>\$0.56</u>
State AV increase		Previous year's rate		
New State Levy				<u>\$897.05</u>

WASHINGTON STATE DEPARTMENT OF REVENUE 17

State Levy Apportionment – Part 1



Real Property

	Locally Assessed	State Assessed	Total	Ratio	Total Market Value	State Levy Amount	Approximate Local Rate
County A	92,950	150	93,100	97.8%	95,194	167.09	1.79470
County B	232,450	300	232,750	98.1%	237,258	416.44	1.78921
County C	278,400	900	279,300	90.5%	308,619	541.69	1.93947
County D	185,700	500	186,200	96.2%	193,555	339.73	1.82455
County E	139,450	200	139,650	96.8%	144,267	253.22	1.81324
Vessels	7,000		7,000		7,000	12.29	1.75522
Total:	935,950	2,050	931,000		985,893	1,730.46	

Simplified version

State Levy Rate (Part 1): 1.75522

WASHINGTON STATE DEPARTMENT OF REVENUE 18



State Levy Apportionment – Part 2

Real Property

	Locally Assessed	State Assessed	Total	Ratio	Total Market Value	State Levy Amount	Approximate Local Rate
County A	90,000	150	90,150	97.8%	92,178	87.09	0.96603
County B	229,250	300	229,550	98.1%	233,996	221.07	0.96308
County C	270,000	900	270,900	90.5%	299,337	282.81	1.04396
County D	180,000	500	180,500	96.2%	187,630	177.27	0.98210
County E	125,000	200	125,200	96.8%	129,339	122.20	0.97601
Vessels	7,000		7,000		7,000	6.61	0.94478
Total:	901,250	2,050	896,300		949,480	897.05	
State Levy Rate (Part 1):						1.75522	
State Levy Rate (Part 2):						0.94478	
						2.70000	

Simplified version

WASHINGTON STATE DEPARTMENT OF REVENUE

19



Calculating the Local State Levy Rate: Part 1 and Part 2

- When calculating the Local State Levy Rate make sure **all value subject to each Part of the state levy** gets included:
 - Real Property
 - Personal Property
 - State Assessed
 - No Agriculture Machinery or Equipment (exempted from the state levy)
 - For Part 2 ONLY* – no senior exempted value

$$(\text{Levy Amount} / \text{Value}) * 1000 = \text{Rate}$$

10.	Grand total state levy part 1 amount*	141,113,076
11.	Total assessed value of local and state assessed property (for information purposes only)	94,739,131,827
12.	Approximate local levy rate (do not use this figure for rate setting purposes, but only to compare with your determination)	1.4894909110

WASHINGTON STATE DEPARTMENT OF REVENUE

20



Levy the Correct Amount

CERTIFICATION OF 2024 STATE PROPERTY TAX LEVY PART 1 FOR COLLECTION IN 2025

Grand total state levy part 1 amount* **\$141,113,076**

CERTIFICATION OF 2024 STATE PROPERTY TAX LEVY PART 2 FOR COLLECTION IN 2025

Grand total state levy part 1 amount* **\$75,330,505**

WASHINGTON STATE DEPARTMENT OF REVENUE 21



State Levy Rate versus Local State Levy Rate

State Levy Rate

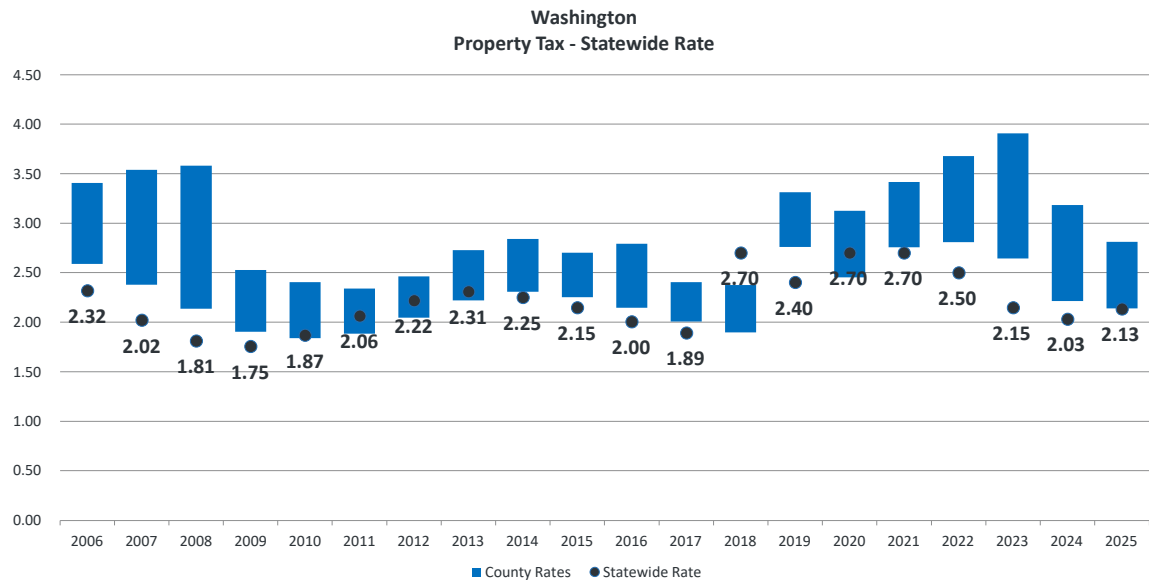
State Levy Rate (Part 1): 1.75522
State Levy Rate (Part 2): 0.94478
2.70000

Local State Levy Rate

	Approximate Local Rate Part 1	Approximate Local Rate Part 2	Approximate Total Rate
County A	1.79470	0.96603	2.76074
County B	1.78921	0.96308	2.75229
County C	1.93947	1.04396	2.98343
County D	1.82455	0.98210	2.80665
County E	1.81324	0.97601	2.78926
Vessels	1.75522	0.94478	2.70000

WASHINGTON STATE DEPARTMENT OF REVENUE 22

Historical State Levy Rate Ranges



23

Limit Factor

- Taxing district with population < 10,000
 - ✓ 101 percent (additional 1 percent)
- Taxing district with population > 10,000
 - ✓ The lesser of 101 percent or 100 percent + "inflation"
- Inflation =
 - Percentage change in the Implicit Price Deflator (IPD)
 - The Bureau of Economic Analysis publishes the IPD in September

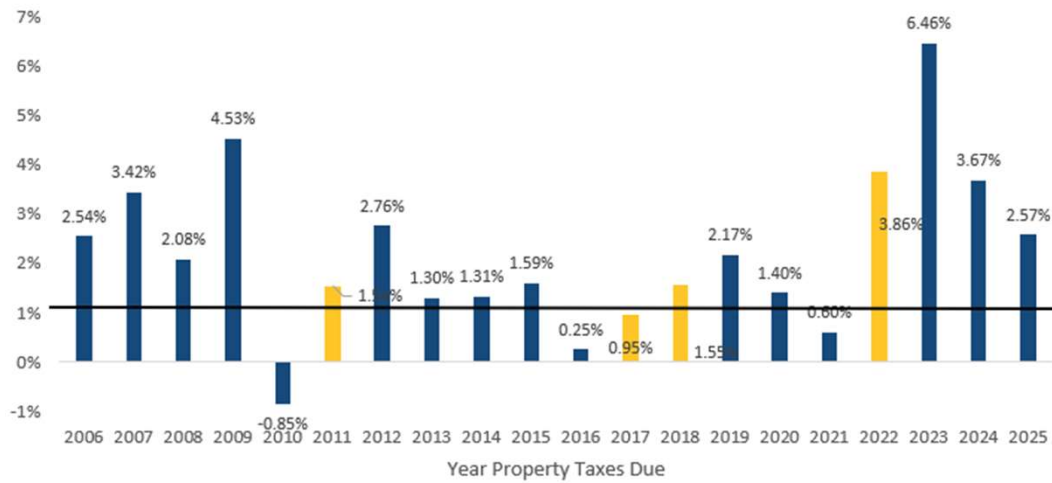
The law requires us to use what is published as of September 25th.

You should receive the IPD/inflation letter/email on September 26th.

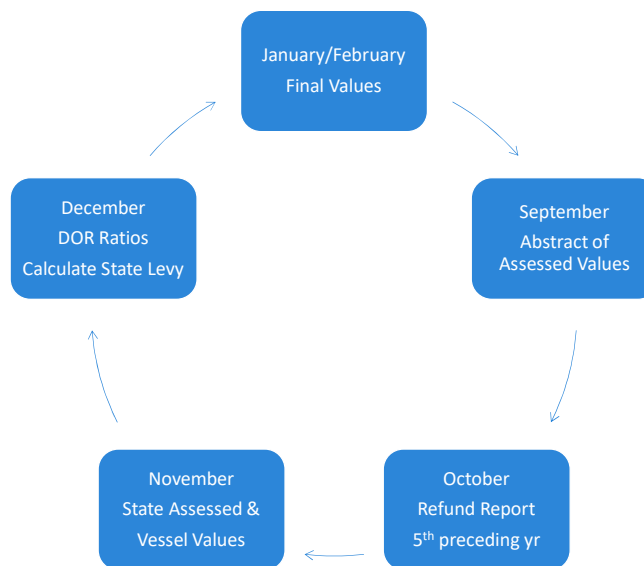
25

History of Property Tax Inflation

History of the Percentage Change in the IPD



26





Reports for Research & Fiscal Analysis

The Research & Fiscal Analysis Division requests several other reports from Assessors and Treasurers:

Levy Report
(10-page)

Levy
Limitations
Worksheets

Senior Report

Property Tax
Roll

Property Tax
Collections
Report

WASHINGTON STATE DEPARTMENT OF REVENUE 28

Shameless Plug!

- Want to know how your county compares to other counties?
- Do you get general questions about property tax or levies?

Check out the Property Tax Statistics

- <http://dor.wa.gov>
- Type "Property Tax Statistics" into the search box.
- Pick a year!

The report has statistics on;

- Collections, Levies, Values
- Senior Citizen Relief
- Current Use
- Ratios, Average Rates
- Levy Detail – Senior districts, Junior Districts





RFA Property Tax Team Manager:
Mark Studer
MarkSt@dor.wa.gov
(360) 534-1507



dor.wa.gov



(360) 534-1505



DORReportsRFAPT@dor.wa.gov

Levy Corrections

Chapter 10

Diana Burch
Appeals Specialist

September 2025

WASHINGTON STATE DEPARTMENT OF REVENUE

1

What is a Levy Error?

RCW 84.52.085(1)

- When an error has occurred in the levy of property taxes that caused all taxpayers within a taxing district, other than the state, to pay an incorrect amount of property tax, the assessor shall correct the error by making an appropriate adjustment to the levy for that taxing district in the succeeding year.

WASHINGTON STATE DEPARTMENT OF REVENUE

2

Are there limits for levy error corrections?

RCW 84.52.085

- Limited to 3 years preceding the year the error was discovered.
- Corrections are outside of the 1% growth limit.
- In some cases, a correction may exceed the statutory maximum rate.

WASHINGTON STATE DEPARTMENT OF REVENUE 3

When can the statutory maximum rate be exceeded?

Beginning with the 2023 levy year for the 2024 tax year:

- When the error is at no fault of the taxing district the statutory maximum rate may be exceeded.
- The correction must be made over a 3-year period.

2023 Regular Session HB 1303

WASHINGTON STATE DEPARTMENT OF REVENUE 4

Assessor's Next Steps

- Notify the taxing district.
- Assessor must start the correction in the year following the discovery.

WASHINGTON STATE DEPARTMENT OF REVENUE 5

Recalculate Levy Limits

- Determine lesser of corrected limitations.
- Was there an over or underlevy amount made?
- Overlevy amounts will be deducted from the next levy calculations.
- Underlevy amounts can be added to the next levy calculations based on district's desire.
- Corrected levy rate and/or highest lawful levy must be determined and carried forward.

Document everything!

WASHINGTON STATE DEPARTMENT OF REVENUE 6

Levy Error Example

#10-A, #10-B, and #10-C

- The 1% levy limit was calculated using an incorrect new construction assessed value of \$50,000,000.
- The correct new construction assessed value is \$50,000.

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TAXING DISTRICT

Cemetery District / With levy error

2024

Levy For

2025

Taxes

Population:

☒ Less than 10,000 ☐ 10,000 or more

Was a resolution/ordinance adopted authorizing an increase over the previous year's levy?

☒ Yes ☐ No

Was a second resolution/ordinance adopted authorizing an increase over the IPD?

☐ Yes ☐ No ☒ N/A

If so, what was the percentage increase?

Calculated % Increase

11.111111111111%

A. Previous year's actual levy adjusted by the increases as stated in ordinance or resolution (RCW 84.55.120).

Year	2024	\$18,000.00	+	2,000.00	=	\$20,000.00
		Previous Year's Actual Levy		Plus Resolution Increase Amount		
Year	2024	\$18,000.00	×	10.000000000000%	=	\$19,800.00
		Previous Year's Actual Levy		Resolution Percentage of Increase		

B. Amount for new construction, improvements, & certain green energy (Line B page 1)

= \$5,000.00

C. Amount for increment value increase (Line C page 1)

= \$0.00

D. Amount for increase in value of state-assessed property (Line D, page 1)

= 0

E. Amount for increase in annexation (Line G, page 1)

= 0

F. Total levy amount authorized, including the annexation Lesser of A+(B+C+D+E)

= \$24,800.00

G. Total levy amount authorized by resolution (F) plus amount refunded or to be refunded (RCW 84.55.070).

\$24,800.00	+		=	\$24,800.00
Total from Line F		Amount to be Refunded		Amount allowable per

H. Total amount certified by county legislative authority or taxing district as applicable.

(RCW 84.52.020 and RCW 84.52.070) = \$23,000.00

I. Levy limit from line H on page 1, plus amount refunded or to be refunded (RCW 84.55.070).

\$25,200.00	+	\$0.00	=	\$25,200.00
Line H, Page 1		Amount to be Refunded		Total

J. Amount of taxes recovered due to a settlement of highly valued disputed property (RCW 84.52.018).

\$23,000.00	-		=	\$23,000.00
Lesser of G, H, or I		Amount Held in Abeyance		Total

K. Statutory limit from line I on page 1 (dollar amount, not the rate)

= \$28,743.75

L. Lesser of J & K

\$23,000.00

M. Levy Corrections Year of Error:

1. Minus amount over levied (if applicable)

2. Plus amount under levied (if applicable)

N. Total: L +/- M

\$23,000.00

O. Regular Levy Rate Computation Without Levy Error Correction

Use this rate in next year's levy calculations unless it's changed due to levy error, other limitation, or there's a road levy shift.

\$23,000.00	÷	\$255,500,000	×	\$1,000	=	0.090019569472
Lesser of K and L		Amount on line L1 on page 1				rate w/o error correction

P. Regular Levy Rate Computation: Lesser of K and N divided by the assessed value in line L1 on page 1.

Use this rate for the current year's tax roll unless it is changed due to another levy limitation such as the \$5.90 limit.

\$23,000.00	÷	\$255,500,000	×	\$1,000	=	0.090019569472
Lesser of K & N		Amount on line L1 on page 1				rate before aggregate check

Q. Road Levy Shift Rate Computation - (Do not enter a shift amount in both shift fields.)

R. OR
Amount shifted TO this taxing district Amount shifted FROM this taxing district

\$23,000.00	÷	\$255,500,000	×	\$1,000	=	0.090019569472
Post Shift Levy Amount		Amount on line L1 on page 1				Post Shift Levy Rate

REV 64 007

Page 2

#10-B

Instructions for electronic version of form - Fill in highlighted cells all other self populate.

Excess Levy Rate Computation - Excess levy amount divided by the assessed value in Line L4 above.						
	÷	\$255,500,000	×	\$1,000	=	0.000000000000
Levy Amount		A.V. from Line L4 above				
Bond Levy Rate Computation - Bond levy amount divided by the assessed value in Line L4 above.						
		\$255,500,000	×	\$1,000	=	0.000000000000
Levy Amount		A.V. from Line L4 above				

TAXING DISTRICT

Cemetery District / Corrected version

2024

Levy For

2025

Taxes

Population:

☒ Less than 10,000 ☐ 10,000 or more

Was a resolution/ordinance adopted authorizing an increase over the previous year's levy?

☒ Yes ☐ No

Was a second resolution/ordinance adopted authorizing an increase over the IPD?

☐ Yes ☐ No ☒ N/A

If so, what was the percentage increase?

Calculated % Increase

11.111111111111%

A. Previous year's actual levy adjusted by the increases as stated in ordinance or resolution (RCW 84.55.120).

Year	2024	\$18,000.00	+	2,000.00	=	\$20,000.00
		Previous Year's Actual Levy		Plus Resolution Increase Amount		
Year	2024	\$18,000.00	×	10.000000000000%	=	\$19,800.00
		Previous Year's Actual Levy		Resolution Percentage of Increase		

B. Amount for new construction, improvements, & certain green energy (Line B page 1)

= \$5.00

C. Amount for increment value increase (Line C page 1)

= \$0.00

D. Amount for increase in value of state-assessed property (Line D, page 1)

= 0

E. Amount for increase in annexation (Line G, page 1)

= 0

F. Total levy amount authorized, including the annexation Lesser of A+(B+C+D+E)

= \$19,805.00

G. Total levy amount authorized by resolution (F) plus amount refunded or to be refunded (RCW 84.55.070).

\$19,805.00	+		=	\$19,805.00
Total from Line F		Amount to be Refunded		Amount allowable per

H. Total amount certified by county legislative authority or taxing district as applicable.

(RCW 84.52.020 and RCW 84.52.070) = \$23,000.00

I. Levy limit from line H on page 1, plus amount refunded or to be refunded (RCW 84.55.070).

\$20,205.00	+	\$0.00	=	\$20,205.00
Line H, Page 1		Amount to be Refunded		Total

J. Amount of taxes recovered due to a settlement of highly valued disputed property (RCW 84.52.018).

\$19,805.00	-		=	\$19,805.00
Lesser of G, H, or I		Amount Held in Abeyance		Total

K. Statutory limit from line I on page 1 (dollar amount, not the rate)

= \$28,743.75

L. Lesser of J & K

\$19,805.00

M. **Levy Corrections** Year of Error:

1. Minus amount over levied (if applicable)

2. Plus amount under levied (if applicable)

N. **Total:** L +/- M

\$19,805.00

O. **Regular Levy Rate Computation Without Levy Error Correction**

Use this rate in next year's levy calculations unless it's changed due to levy error, other limitation, or there's a road levy shift.

\$19,805.00	÷	\$255,500,000	×	\$1,000	=	0.077514677104
Lesser of K and L		Amount on line L1 on page 1				rate w/o error correction

P. **Regular Levy Rate Computation:** Lesser of K and N divided by the assessed value in line L1 on page 1.

Use this rate for the current year's tax roll unless it is changed due to another levy limitation such as the \$5.90 limit.

\$19,805.00	÷	\$255,500,000	×	\$1,000	=	0.077514677104
Lesser of K & N		Amount on line L1 on page 1				rate before aggregate check

Q. **Road Levy Shift Rate Computation - (Do not enter a shift amount in both shift fields.)**R. **OR**
Amount shifted **TO** this taxing district Amount shifted **FROM** this taxing district

\$19,805.00	÷	\$255,500,000	×	\$1,000	=	0.077514677104
Post Shift Levy Amount		Amount on line L1 on page 1				Post Shift Levy Rate

LEVY LIMITATIONS WORKSHEET

#10-C

TAXING DISTRICT Cemetery District with correction levy **2025** Levy for **2026** Taxes

Instructions for electronic version of form - Fill in highlighted cells all other self populate.

A. Highest regular tax which could have been lawfully levied beginning with the 1985 levy (refund levy not included).					
Year	<u>2025</u>	<u>\$20,205.00</u>	<u>×</u>	<u>101.000%</u>	<u>=</u> <u>\$20,407.05</u>
		Highest Lawful Levy Since 1985		Limit Factor/Max Increase 101%	
B. Current year's assessed value of new construction, improvements, and wind turbines, solar, biomass, and geothermal facilities in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).					
	<u>\$100,000</u>	<u>×</u>	<u>0.077514677104</u>	<u>÷</u>	<u>\$1,000</u> <u>=</u> <u>\$7.75</u>
	A.V.		Last Year's Levy Rate		
C. Tax increment finance area increment AV increase (RCW 84.55.010(1)(e)) (value included in B & D cannot be included in C)					
	<u></u>	<u>×</u>	<u>0.077514677104</u>	<u>÷</u>	<u>\$1,000</u> <u>=</u> <u>\$0.00</u>
	A.V.		Last Year's Levy Rate		
D. Current year's state assessed property value less last year's state assessed property value. The remainder is to be multiplied by last year's regular levy rate (or the rate that should have been levied).					
	<u>\$100,000</u>	<u>-</u>	<u>\$60,000</u>	<u>=</u>	<u>\$</u> <u>40,000.00</u>
	Current Year's A.V.		Previous Year's A.V.		Remainder
	<u>\$40,000</u>	<u>×</u>	<u>0.077514677104</u>	<u>÷</u>	<u>\$1,000</u> <u>=</u> <u>\$3.10</u>
	Remainder from Line D		Last Year's Levy Rate		
E. Regular property tax limit:				A+B+C+D	= <u>\$20,417.90</u>

Parts F through H are used in calculating the additional levy limit due to annexation.

F. To find the rate to be used in G, take the levy limit as shown in Line E above and divide it by the current assessed value of the district, excluding the annexed area.					
	<u>\$20,417.90</u>	<u>÷</u>	<u>\$280,000,000</u>	<u>×</u>	<u>\$1,000</u> <u>=</u> <u>0.072921071429</u>
	Total in Line E		Assessed Value Less Annexed AV		
G. Annexed area's current assessed value including new construction and improvements, times the rate in Line F.					
	<u></u>	<u>×</u>	<u>0.072921071429</u>	<u>÷</u>	<u>\$1,000</u> <u>=</u> <u>0</u>
	Annexed Area's A.V.		Rate in Line F		
H. Regular property tax limit including annexation				E+G	= <u>\$20,417.90</u>

I. Statutory maximum calculation

Only enter fire/RFA rate, library rate, & firefighter pension fund rate for cities annexed to a fire/RFA or library, or has a firefighters pension fund.

<u>0.112500000000</u>	<u>-</u>	<u></u>	<u>-</u>	<u></u>	<u>+</u>	<u></u>	<u>0.112500000000</u>
District base levy rate		Fire or RFA Rate		Library Rate		Firefighter Pension Fund	Statutory Rate Limit
<u>\$280,000,000</u>	<u>×</u>	<u>0.112500000000</u>	<u>÷</u>	<u>\$1,000</u>	<u>=</u>	<u>\$31,500.00</u>	
A.V. of District		Statutory Rate Limit				Statutory Amount	

J. Highest lawful Levy For This Tax Year (Lesser of H and I)	=	<u>\$20,417.90</u>
K. New highest lawful levy since 1985 (Lesser of I & H minus C, unless A (before limit factor increase) is greater than I or H minus C. then A before the limit factor increase)	=	<u>\$20,417.90</u>

L. Tax Base For Excess Levies

1. Regular levy taxable value (including state-assessed property, and excluding boats, timber assessed value, and the senior citizen exemption for the regular levy)	<u>\$280,000,000</u>
2. Less assessed value of the senior citizen exemption of less than \$40,000 income or 65% of the median household income for the county based on lower of frozen or market value.	<u></u>
3. Plus Timber Assessed Value (TAV)	<u></u>
4. Tax base for excess and voted bond levies (1-2+3)	<u>\$280,000,000</u>

Excess Levy Rate Computation - Excess levy amount divided by the assessed value in Line L4 above.

<u></u>	<u>÷</u>	<u>\$280,000,000</u>	<u>×</u>	<u>\$1,000</u>	<u>=</u>	<u>0.000000000000</u>
Levy Amount		A.V. from Line L4 above				

Bond Levy Rate Computation - Bond levy amount divided by the assessed value in Line L4 above.

<u></u>	<u>×</u>	<u>\$1,000</u>	<u>=</u>	<u>0.000000000000</u>
Levy Amount		A.V. from Line L4 above		

Question 1

How many years after the error is discovered can the correction be made?

- a. 2 years**
- b. 3 years**
- c. 4 years**

WASHINGTON STATE DEPARTMENT OF REVENUE 8

Question 2

What levy rate is carried forward to the following year's levy calculations after a levy error correction has been made?

- a. The levy rate that includes the levy error correction.**
- b. The levy rate that does not include the levy error correction.**

WASHINGTON STATE DEPARTMENT OF REVENUE 9

Question 3

If you believe you have found a levy error will you,

- a. Call DOR and talk about your next steps.**
- b. Proceed with your levy calculations on your own.**



Basic Levy Training

Change in Assessed Value v. Change in Tax Due

Chapter 11

- Presented by Janeene Niemi
Education & Current Use Specialist
- September 2025

WASHINGTON STATE DEPARTMENT OF REVENUE

1

Taxable Value and Taxes Due Comparison

	2024 Tax Year			2025 Tax Year			% Change	
	Taxable Value	Total Tax	Levy Rate	Taxable Value	Total Tax	Levy Rate	Taxable Value	Total Tax
City General Levy	\$1,105,246,154	\$1,712,769.38	1.54967	\$1,400,057,375	\$1,768,428.64	\$1.26311	26.67381%	3.24966%
City EMS Levy	\$1,105,246,154	\$472,263.81	0.42729	\$1,400,057,375	\$487,030.15	\$0.34786	26.67381%	3.12671%
County General Levy	\$15,809,372,698	\$15,087,433.52	0.95433	\$17,103,024,683	\$15,416,427.66	\$0.90139	8.18282%	2.18058%
State Levy Part 1	\$15,800,556,428	\$24,114,029.00	1.52615	\$17,094,775,611	\$25,174,481.00	\$1.47264	8.19097%	4.39766%
State Levy Part 2	\$15,649,169,446	\$12,771,178.00	0.81609	\$16,941,327,449	\$13,338,351.00	\$0.78733	8.25704%	4.44104%
Local School Bond Levy	\$3,047,110,413	\$2,220,000.00	0.72856	\$3,618,131,632	\$2,280,000.00	\$0.63016	18.73976%	2.70270%
Local School Enrichment Levy	\$3,027,198,100	\$5,650,000.00	1.86641	\$3,591,734,782	\$5,873,237.19	\$1.63521	18.64882%	3.95110%
Library General Levy	\$15,288,496,833	\$3,608,192.27	0.23601	\$16,288,351,733	\$3,811,865.23	\$0.23402	6.53992%	5.64474%
Port District	\$3,034,196,955	\$776,208.86	0.25582	\$3,591,247,147	\$776,208.86	\$0.21614	18.35907%	0.00000%
Total Aggregate Levy Rate			8.36034			\$7.48786		
	2024 Tax Year			2025 Tax Year			% Change	
	Taxable Value	Taxes Due		Taxable Value	Taxes Due		Taxable Value	Taxes Due
Parcel A - Single family residence	\$276,200	\$2,309.12		\$271,300	\$2,031.45		-1.77408%	-12.02493%
Parcel B - Single family residence	\$395,000	\$3,302.34		\$358,600	\$2,685.15		-9.21519%	-18.68947%
Parcel C - Land only	\$61,500	\$514.16		\$109,800	\$822.18		78.53659%	37.46382%