

RCW 84.25.130 Improvements. (1) If the value of improvements have been exempted under this chapter, the improvements continue to be exempted for the applicable period under this chapter so long as they are not converted to another use and continue to satisfy all applicable conditions including, but not limited to, zoning, land use, building, and family-wage job creation.

(2) If an owner voluntarily opts to discontinue compliance with the requirements of this chapter, the owner must notify the assessor within 60 days of the change in use or intended discontinuance.

(3) If, after a certificate of tax exemption has been filed with the county assessor, the city discovers that a portion of the property is changed or will be changed to disqualify the owner for exemption eligibility under this chapter, the tax exemption must be canceled and the following occurs:

(a) Additional real property tax must be imposed on the value of the nonqualifying improvements in the amount that would be imposed if an exemption had not been available under this chapter, plus a penalty equal to 20 percent of the additional value. This additional tax is calculated based upon the difference between the property tax paid and the property tax that would have been paid if it had included the value of the nonqualifying improvements dated back to the date that the improvements were converted to a nonqualifying use;

(b) The tax must include interest upon the amounts of the additional tax at the same statutory rate charged on delinquent property taxes from the dates on which the additional tax could have been paid without penalty if the improvements had been assessed at a value without regard to this chapter; and

(c) The additional tax owed together with interest and penalty becomes a lien on the property and attaches at the time the property or portion of the property is removed from the qualifying use under this chapter or the amenities no longer meet the applicable requirements for exemption under this chapter. A lien under this section has priority to, and must be fully paid and satisfied before, a recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the property may become charged or liable. The lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes. An additional tax unpaid on its due date is delinquent. From the date of delinquency until paid, interest must be charged at the same rate applied by law to delinquent property taxes.

(4) If, after a certificate of tax exemption has been filed with the county assessor, the city discovers that the facility maintains fewer than 25 family living wage jobs, the owner is considered ineligible for the exemption under this chapter, and the following must occur:

(a) The tax exemption must be canceled; and

(b) Additional real property tax must be imposed in the amount that would be imposed if an exemption had not been available under this chapter, dated back to the date that the facility last maintained a minimum of 25 family living wage jobs.

(5) Upon a determination that a tax exemption is to be terminated for a reason stated in this section, the city's governing authority must notify the record owner of the property as shown by the tax rolls by mail, return receipt requested, of the determination to terminate the exemption. The owner may appeal the determination to the city, within 30 days by filing a notice of appeal with the city, which

notice must specify the factual and legal basis on which the determination of termination is alleged to be erroneous. At an appeal hearing, all affected parties may be heard and all competent evidence received. After the hearing, the deciding body or officer must either affirm, modify, or repeal the decision of termination of exemption based on the evidence received. An aggrieved party may appeal the decision of the deciding body or officer to the superior court as provided in RCW 34.05.510 through 34.05.598.

(6) Upon determination by the city to terminate an exemption, the county officials having possession of the assessment and tax rolls must correct the rolls in the manner provided for omitted property under RCW 84.40.080. The county assessor must make such a valuation of the property and improvements as is necessary to permit the correction of the rolls. The value of the new industrial/manufacturing facilities added to the rolls is considered new construction for the purposes of chapter 84.40 RCW. The owner may appeal the valuation to the county board of equalization as provided in chapter 84.40 RCW. If there has been a failure to comply with this chapter, the property must be listed as an omitted assessment for assessment years beginning January 1st of the calendar year in which the noncompliance first occurred, but the listing as an omitted assessment may not be for a period more than three calendar years preceding the year in which the failure to comply was discovered. [2021 c 218 s 6; 2015 1st sp.s. c 9 s 13.]