

**Chapter 84.04 RCW
DEFINITIONS**

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RCW 84.04.010 Introductory. Unless otherwise expressly provided or unless the context indicates otherwise, terms used in this title shall have the meaning given to them in this chapter. [1961 c 15 s 84.04.010.]

RCW 84.04.020 "Assessed valuation of taxable property," and similar terms. The terms "assessed valuation of taxable property", "valuation of taxable property", "value of taxable property", "taxable value of property", "property assessed" and "value" whenever used in any statute, law, charter or ordinance with relation to the levy of taxes in any taxing district, shall be held and construed to mean "assessed value of property" as defined in RCW 84.04.030. [1961 c 15 s 84.04.020. Prior: 1919 c 142 s 2; RRS s 11227.]

RCW 84.04.030 "Assessed value of property." "Assessed value of property" shall be held and construed to mean the aggregate valuation of the property subject to taxation by any taxing district as placed on the last completed and balanced tax rolls of the county preceding the date of any tax levy. [2001 c 187 s 2; 1997 c 3 s 102 (Referendum Bill No. 47, approved November 4, 1997); 1961 c 15 s 84.04.030. Prior: (i) 1925 ex.s. c 130 s 3; RRS s 11107. (ii) 1919 c 142 s 1, part; RRS s 11226, part.]

Contingent effective date—2001 c 187: See note following RCW 84.70.010.

Application—2001 c 187: See note following RCW 84.40.020.

Application—Severability—Part headings not law—Referral to electorate—1997 c 3: See notes following RCW 84.40.030.

RCW 84.04.040 "Assessment year," "fiscal year." The assessment year contemplated in this title and the fiscal year contemplated in this title shall commence on January 1st and end on December 31st in each year. [1961 c 15 s 84.04.040. Prior: 1939 c 206 s 39; 1925 ex.s. c 130 s 81; 1897 c 71 s 66; 1893 c 124 s 67; 1890 p 560 s 82; RRS s 11242.]

RCW 84.04.045 "County auditor." "County auditor" shall be construed to mean registrar or recorder, whenever it shall be necessary to use the same to the proper construction of this title. [1961 c 15 s 84.04.045. Prior: 1925 ex.s. c 130 s 6, part; 1897 c 71 s 4, part; 1893 c 124 s 4, part; 1890 p 531 s 4, part; 1886 p 48 s 2, part; Code 1881 s 2830, part; RRS s 11110, part.]

RCW 84.04.047 "Department." "Department" means the department of revenue of the state of Washington. [1979 c 107 s 25.]

RCW 84.04.050 "Householder." "Householder" shall be taken to mean and include every person, married, in a state registered domestic partnership, or single, who resides within the state of Washington being the owner or holder of an estate or having a house or place of abode, either as owner or lessee. [2009 c 521 s 195; 1961 c 15 s 84.04.050. Prior: 1925 ex.s. c 130 s 6, part; 1897 c 71 s 4, part; 1893 c 124 s 4, part; 1890 p 531 s 4, part; 1886 p 48 s 2, part; Code 1881 s 2830, part; RRS s 11110, part.]

RCW 84.04.055 "Legal description." "Legal description" shall be given its commonly accepted meaning, but for property tax purposes, the parcel number is sufficient for the legal description. [1989 c 378 s 6.]

RCW 84.04.060 "Money," "moneys." "Money" or "moneys" shall be held to mean coin or paper money issued by the United States government. [1998 c 106 s 12; 1961 c 15 s 84.04.060. Prior: 1925 ex.s. c 130 s 6, part; 1897 c 71 s 4, part; 1893 c 124 s 4, part; 1890 p 531 s 4, part; 1886 p 48 s 2, part; Code 1881 s 2830, part; RRS s 11110, part.]

RCW 84.04.065 Number and gender. Every word importing the singular number only may be extended to or embrace the plural number, and every word importing the plural number may be applied and limited to the singular number, and every word importing the masculine gender only may be extended and applied to females as well as males. [1961 c 15 s 84.04.065. Prior: 1925 ex.s. c 130 s 6, part; 1897 c 71 s 4,

part; 1893 c 124 s 4, part; 1890 p 531 s 4, part; 1886 p 48 s 2, part; Code 1881 s 2830, part; RRS s 11110, part.]

RCW 84.04.070 "Oath," "swear." "Oath" may be held to mean affirmation, and the word "swear" may be held to mean affirm. [1961 c 15 s 84.04.070. Prior: 1925 ex.s. c 130 s 6, part; 1897 c 71 s 4, part; 1893 c 124 s 4, part; 1890 p 531 s 4, part; 1886 p 48 s 2, part; Code 1881 s 2830, part; RRS s 11110, part.]

RCW 84.04.075 "Person." "Person" shall be construed to include firm, company, association or corporation. [1961 c 15 s 84.04.075. Prior: 1925 ex.s. c 130 s 6, part; 1897 c 71 s 4, part; 1893 c 124 s 4, part; 1890 p 531 s 4, part; 1886 p 48 s 2, part; Code 1881 s 2830, part; RRS s 11110, part.]

RCW 84.04.080 "Personal property." "Personal property" for the purposes of taxation, shall be held and construed to embrace and include, without especially defining and enumerating it, all goods, chattels, stocks, estates or moneys; all standing timber held or owned separately from the ownership of the land on which it may stand; all fish trap, pound net, reef net, set net and drag seine fishing locations; all leases of real property and leasehold interests therein for a term less than the life of the holder; all improvements upon lands the fee of which is still vested in the United States, or in the state of Washington; all gas and water mains and pipes laid in roads, streets or alleys; and all property of whatsoever kind, name, nature and description, which the law may define or the courts interpret, declare and hold to be personal property for the purpose of taxation and as being subject to the laws and under the jurisdiction of the courts of this state, whether the same be any marine craft, as ships and vessels, or other property holden under the laws and jurisdiction of the courts of this state, be the same at home or abroad: PROVIDED, That mortgages, notes, accounts, certificates of deposit, tax certificates, judgments, state, county, municipal and taxing district bonds and warrants shall not be considered as property for the purpose of this title, and no deduction shall hereafter be made or allowed on account of any indebtedness owed. [1961 c 15 s 84.04.080. Prior: 1925 ex.s. c 130 s 5, part; 1907 c 108 ss 1, 2; 1907 c 48 s 1, part; 1901 ex.s. c 2 s 1, part; 1897 c 71 s 3, part; 1895 c 176 s 1, part; 1893 c 124 s 3, part; 1891 c 140 s 3, part; 1890 p 530 s 3, part; 1886 p 48 s 2, part; Code 1881 s 2830, part; 1871 p 37 s 1, part; 1869 p 176 s 3, part; 1854 p 332 s 4, part; RRS s 11109, part.]

Fox, mink, marten declared personalty: RCW 16.72.030.

RCW 84.04.090 "Real property." The term "real property" for the purposes of taxation shall be held and construed to mean and include the land itself, whether laid out in town lots or otherwise, and all buildings, structures or improvements or other fixtures of whatsoever kind thereon, except improvements upon lands the fee of which is still vested in the United States, or in the state of Washington, and all rights and privileges thereto belonging or in any wise appertaining, except leases of real property and leasehold interests therein for a

term less than the life of the holder; and all substances in and under the same; all standing timber growing thereon, except standing timber owned separately from the ownership of the land upon which the same may stand or be growing; and all property which the law defines or the courts may interpret, declare and hold to be real property under the letter, spirit, intent and meaning of the law for the purposes of taxation. The term real property shall also include a mobile home which has substantially lost its identity as a mobile unit by virtue of its being permanently fixed in location upon land owned or leased by the owner of the mobile home and placed on a permanent foundation (posts or blocks) with fixed pipe connections with sewer, water, or other utilities: PROVIDED, That a mobile home located on land leased by the owner of the mobile home shall be subject to the personal property provisions of chapter 84.56 RCW and RCW 84.60.040. [1987 c 155 s 1; 1985 c 395 s 2; 1971 ex.s. c 299 s 70; 1961 c 15 s 84.04.090. Prior: 1925 ex.s. c 130 s 4; 1897 c 71 s 2; 1893 c 124 s 2; 1891 c 140 s 2; 1890 p 530 s 2; 1886 p 48 s 2, part; Code 1881 s 2830, part; 1871 p 37 s 2; 1869 p 176 s 2; RRS s 11108.]

Effective date—1971 ex.s. c 299: See RCW 82.50.901(3).

Severability—1971 ex.s. c 299: See note following RCW 82.04.050.

RCW 84.04.095 Classification of components of irrigation systems. Notwithstanding RCW 84.04.080 and 84.04.090, the department shall classify, by rule, the components of irrigation systems as real or personal property for purposes of taxation under this title. [1987 c 319 s 8.]

RCW 84.04.100 "Tax" and derivatives. The word "tax" and its derivatives, "taxes," "taxing," "taxed," "taxation" and so forth shall be held and construed to mean the imposing of burdens upon property in proportion to the value thereof, for the purpose of raising revenue for public purposes. [1961 c 15 s 84.04.100. Prior: 1925 ex.s. c 130 s 1; 1897 c 71 s 1; 1893 c 124 s 1; RRS s 11105.]

RCW 84.04.120 "Taxing district." "Taxing district" means the state and any county, city, town, port district, school district, road district, metropolitan park district, regional transit authority, water-sewer district, or other municipal corporation, now or hereafter existing, having the power or authorized by law to impose burdens upon property within the district in proportion to the value thereof, for the purpose of obtaining revenue for public purposes, as distinguished from municipal corporations authorized to impose burdens, or for which burdens may be imposed, for such purposes, upon property in proportion to the benefits accruing thereto. [2015 3rd sp.s. c 44 s 326; 1999 c 153 s 69; 1961 c 15 s 84.04.120. Prior: (i) 1919 c 142 s 1, part; RRS s 11226, part. (ii) 1925 ex.s. c 130 s 2; RRS s 11106.]

Effective date—2015 3rd sp.s. c 44: See note following RCW 46.68.395.

Part headings not law—1999 c 153: See note following RCW 57.04.050.

RCW 84.04.130 "Tract," "lot," etc. "Tract" or "lot," and "piece or parcel of real property," and "piece or parcel of lands" shall each be held to mean any contiguous quantity of land in the possession of, owned by, or recorded as the property of the same claimant, person or company. [1961 c 15 s 84.04.130. Prior: 1925 ex.s. c 130 s 6, part; 1897 c 71 s 4, part; 1893 c 124 s 4, part; 1890 p 531 s 4, part; 1886 p 48 s 2, part; Code 1881 s 2830, part; RRS s 11110, part.]

RCW 84.04.140 "Regular property taxes," "regular property tax levies." The term "regular property taxes" and the term "regular property tax levy" shall mean a property tax levy by or for a taxing district which levy is subject to the aggregate limitation set forth in RCW 84.52.043 and 84.52.050, as now or hereafter amended, or which is imposed by or for a port district or a public utility district. [1973 1st ex.s. c 195 s 88; 1971 ex.s. c 288 s 13.]

Severability—Effective dates and termination dates—Construction—1973 1st ex.s. c 195: See notes following RCW 84.52.043.

Savings—Severability—1971 ex.s. c 288: See notes following RCW 84.40.030.

RCW 84.04.150 "Computer software" and related terms. (1) "Computer software" is a set of directions or instructions that exist in the form of machine-readable or human-readable code, is recorded on physical or electronic medium, and directs the operation of a computer system or other machinery or equipment. "Computer software" includes the associated documentation that describes the code and its use, operation, and maintenance and typically is delivered with the code to the user. "Computer software" does not include databases.

A "database" is text, data, or other information that may be accessed or managed with the aid of computer software but that does not itself have the capacity to direct the operation of a computer system or other machinery or equipment.

(2) "Custom computer software" is computer software that is designed for a single person's or a small group of persons' specific needs. "Custom computer software" includes modifications to canned computer software and can be developed in-house by the user, by outside developers, or by both.

A group of four or more persons is presumed not to be a small group of persons for the purposes of this subsection unless each of the persons is affiliated through common control and ownership. The department may by rule provide a definition of small group and affiliates consistent with this subsection.

For purposes of this subsection, "person" has the meaning given in RCW 82.04.030.

(3) "Canned computer software," occasionally known as prewritten or standard software, is computer software that is designed for and distributed "as is" for multiple persons who can use it without

modifying its code and that is not otherwise considered custom computer software.

(4) "Embedded software" is computer software that resides permanently on some internal memory device in a computer system or other machinery or equipment, that is not removable in the ordinary course of operation, and that is of a type necessary for the routine operation of the computer system or other machinery or equipment. "Embedded software" may be either canned or custom computer software.

(5) "Retained rights" are any and all rights, including intellectual property rights such as those rights arising from copyrights, patents, and trade secret laws, that are owned or are held under contract or license by a computer software developer, author, inventor, publisher, licensor, sublicensor, or distributor.

(6) A "golden" or "master" copy of computer software is a copy of computer software from which a computer software developer, author, inventor, publisher, licensor, sublicensor, or distributor makes copies for sale or license. [1991 sp.s. c 29 s 2.]

Findings—Intent—1991 sp.s. c 29: "(1) The legislature finds that:

(a) Computer software is a class of personal property that is itself comprised of several different subclasses of personal property which can be distinguished by their use, development, distribution, and relationship to hardware, and includes custom software, canned software, and embedded software;

(b) Because different classes of software serve different needs, may be used by different taxpayers, and present different administrative burdens on both the state and the citizens of the state of Washington, the different classes of software should be treated differently for tax purposes;

(c) Canned software should continue to be subject to property tax, but, because of its rapid obsolescence, should be subject to tax for only two years; and the taxable interest should reside with the end user;

(d) Canned software that has been modified should continue to be taxable on the canned portion of the software;

(e) Embedded software should continue to be taxed as part of the machinery or equipment of which it is a part;

(f) Custom software should be exempt from taxation, in part because of the difficulty in accurately and uniformly determining the value of such software;

(g) Retained rights in computer software should be exempt from the property tax in part because of the difficulty in accurately and uniformly determining the value of such software, the difficulty in determining the scope and situs of such rights, and the adverse economic consequences to the state of taxing such rights; and

(h) So-called "golden" or "master" copies of software should be exempt from property tax like business inventory.

(2) It is the intent of the legislature that:

(a) The voluntary compliance nature of the personal property tax system should be preserved and nothing in this act shall be construed to reduce the taxpayer's obligation to fully and accurately list all taxable computer software;

(b) Computer software should be listed and assessed for property taxes payable in 1991 and 1992 in the same manner and to the same

extent as computer software was listed and assessed for taxes due in 1989;

(c) The definition of custom software, golden or master copies, and retained rights shall be liberally construed in accordance with the purposes of this act;

(d) This act shall provide fairness, equity, and uniformity in the property tax treatment of each class of computer software in the state of Washington; and

(e) No inference should be taken from this act regarding the application of the property tax to databases." [1991 sp.s. c 29 s 1.]

Severability—1991 sp.s. c 29: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1991 sp.s. c 29 s 8.]

Application—Taxes collected in 1993—1991 sp.s. c 29: "Sections 2 through 4 and 6 of this act apply to taxes levied for collection in 1993, and thereafter." [1991 sp.s. c 29 s 9.]

RCW 84.04.900 Construction—Title applicable to state registered domestic partnerships—2009 c 521. For the purposes of this title, the terms spouse, marriage, marital, husband, wife, widow, widower, next of kin, and family shall be interpreted as applying equally to state registered domestic partnerships or individuals in state registered domestic partnerships as well as to marital relationships and married persons, and references to dissolution of marriage shall apply equally to state registered domestic partnerships that have been terminated, dissolved, or invalidated, to the extent that such interpretation does not conflict with federal law. Where necessary to implement chapter 521, Laws of 2009, gender-specific terms such as husband and wife used in any statute, rule, or other law shall be construed to be gender neutral, and applicable to individuals in state registered domestic partnerships. [2009 c 521 s 194.]