

When Recorded Return to:



200905060120

Skagit County Auditor

5/6/2009 Page

1 of

4 12:17PM

## Notice of Removal of Designated Forest Land and Compensating Tax Calculation

Chapter 84.33 RCW

Skagit

County

Grantor or County: Skagit County Assessors Office

Grantee or Property Owner: Donald and Erin Moe

Mailing Address: 16706 Penn Rd

City, State, Zip: Mt. Vernon, WA. 98273

Property Address: none

Assessor's Parcel Number: P95857

Legal Description: NW1/4 NE1/4 in Sec. 9, Twp. 33, Rge. 4  
CF-75

Reference numbers of documents assigned or released: CF Vio#5-2009

You are hereby notified that the above described property has been removed from designated forest land as of 04/22/2009. The land no longer meets the definition and/or provisions of designated forest land for the following reason(s):  
Owners Request

The compensating tax is due and payable to the County Treasurer 30 days from the date of this notice. If unpaid by this date, the compensating tax shall become a lien on the land and interest on this amount will begin to accrue. The county may begin foreclosure proceedings as provided in RCW 84.64.050 if the compensating tax and interest remain unpaid.

### Reclassification

You may apply to have the land reclassified as either Open Space Land, Farm and Agricultural Land or Timber Land under chapter 84.34 RCW. If an application for reclassification is received within 30 days of this notice, no compensating tax is due until the application is denied, or, if approved, the property is later removed from classification under chapter 84.34 RCW in accordance with RCW 84.34.108.

Date of notice: 05/06/2009

TOTAL Compensating Tax Due: \$ 24,718.47  
(See #3 on next page):

Date payment due: 06/10/2009

County Assessor or Deputy: Linda S. White, Current Use Specialist

*Linda S. White*

# COMPENSATING TAX STATEMENT

Parcel No: **P95857**

Date of removal: **04/22/2009**

## 1. Calculation of current year's taxes to date of removal.

<u>112</u>		÷	<u>365</u>	=	<u>0.307</u>
No. of days designated as forest land in the year of removal			No. of days in year		Proration Factor (to items 1a and
a.	<u>294,000</u>	X	<u>0.009231500</u>	X	<u>0.307</u> = <u>\$ 833.22</u>
	Market Value		Levy Rate	Proration Factor	
b.	<u>6,300</u>	X	<u>0.009231500</u>	X	<u>0.307</u> = <u>\$ 17.85</u>
	Forest Land Value		Levy Rate	Proration Factor	
c.	<b>TOTAL amount of compensating tax to date of removal for current year:</b>				= <u>\$ 815.37</u>
	(subtract 1b from 1a)				

## 2. Calculation of Prior Year's Compensating Tax

Market Value (Jan 1 of year removed)	Forest Land Value at Time of Removal	Total Assessed Value	Last Levy Rate Extended Against Land	Tax Due	Yrs *	Compensating Tax
294,000	6,300	287,700	0.009231500	2,655.90	9	\$23,903.10
				Recording Fees:		
				TOTAL amount of prior year's compensating tax:		\$23,903.10
				* Number of years in classification or designation, not to exceed 9.		

**3. Total compensating tax to the date of removal (1c plus 2):** = \$24,718.47  
(Payable in full 30 days from the date of this notice.)

## 4. Calculation of tax for the remainder of current year.

<u>253</u>		÷	<u>365</u>	=	<u>0.693</u>
No. of days remaining after removal			No. of days in year		Proration Factor
a.	<u>294,000</u>	X	<u>0.0092315000</u>	X	<u>0.693</u> = <u>\$1,880.84</u>
	Market Value		Levy Rate	Proration Factor	
b.	<u>6,300</u>	X	<u>0.0092315</u>	X	<u>0.693</u> = <u>\$ 0.00</u>
	Forest Land Value		Levy Rate	Proration Factor	
c.	<b>Total amount of tax due for the remainder of the current year: (4a minus 4b)</b>				= <u>\$1,880.84</u>

**d. Taxes are payable on regular due dates and may be paid in half payments under the provisions of RCW 84.56.020.**

For tax assistance, visit [dor.wa.gov/content/taxes/property/default.aspx](http://dor.wa.gov/content/taxes/property/default.aspx) or call (360) 570-5900. To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 7056715. Teletype (TTY) users may call 1-800-451-7985.

REV 62 0047e (w) (4/2/09)



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## REMOVAL FROM DESIGNATED FOREST LAND COMPENSATING TAX

The county assessor will remove land from designated forest land when any of the following occur:

1. Receipt of a notice from the land owner to remove it from designation;
2. Sale or transfer to an ownership making the land exempt from property taxation;
3. Sale or transfer of all or a portion of such land to a new owner, unless the new owner has signed a Notice of Continuance for designated forest land on the Real Estate Excise Tax Affidavit or the new owner is an heir or devisee of a deceased owner;
4. Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that:
  - a. The land is no longer primarily devoted to and used for growing and harvesting timber;
  - b. The land owner has failed to comply with a final administrative or judicial order regarding a violation of the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW or;
  - c. Restocking has not occurred to the extent or within the time frame specified in the application for designation as forest land.

Removal of designation applies only to the land affected, and any remaining forest land must meet the definition of forest land under RCW 84.33.035 to continue as designated forest land. Within 30 days after removal of designated forest land, the assessor shall send the owner a written notice, setting forth the reasons for the removal.

## COMPENSATING TAX

(RCW 84.33.140)

Compensating tax recaptures taxes that would have been paid on the land if it had been assessed and taxed at its true and fair value instead of the forest land value. The assessor uses the current year's levy rate, the last assessed forest land value, and the true and fair value as of January 1<sup>st</sup> of the year of removal from designation to calculate the compensating tax for the land being removed. The compensating tax due is the difference between the amount of taxes assessed at forest land value on the land being removed and the taxes that would have been paid at true and fair value for the period of time the land was so classified or designated as forest land, up to a maximum of nine years, plus an amount using the same calculation for the current year, up to the date of removal.

### APPEAL

The property owner or person responsible for the payment of taxes may appeal the assessor's **removal** of classification to the County Board of Equalization. Said Board may be reconvened to consider the appeal. The petition must be filed with the Board on or before July 1<sup>st</sup> of the year of the determination, or within thirty days after the notice has been mailed, or within a time limit of up to sixty days adopted by the county legislative authority, whichever is later.



**Compensating tax is not imposed if the removal of designation resulted solely from:**

1. Transfer to a government entity in exchange for other forest land located within the state;
2. A taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power;
3. A donation of fee title, development rights or the right to harvest timber, to a government agency or organization listed in RCW 84.34.210 and 64.04.130 for the purposes stated in those sections. When land is no longer used for these purposes, compensating tax will be imposed upon the current owner;
4. The sale or transfer of fee title to a governmental entity or a nonprofit nature conservancy corporation, as defined in RCW 64.04.130, exclusively for the protection and conservation of lands recommended for state natural area preserve purposes by the Natural Heritage Council and Natural Heritage Plan as defined in chapter 79.70 RCW or approved for state natural resources conservation area purposes as defined in chapter 79.71 RCW. When land is no longer used for these purposes, compensating tax will be imposed upon the current owner.
5. The sale or transfer of fee title to the Parks and Recreation Commission for park and recreation purposes;
6. Official action by an agency of the state of Washington or by the county or city within which the land is located that disallows the present use of such land;
7. The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120;
8. The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040;
9. The sale or transfer within two years after the death of an owner with at least a fifty percent interest in the land if the land has been continuously assessed and valued as designated forest land under chapter 84.33 RCW or classified under chapter 84.34 RCW since 1993. The date of death shown on a death certificate is the date used.



200905060120  
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5/6/2009 Page

4 of

4 12:17PM