

When recorded return to:

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201202090090  
Skagit County Auditor

2/9/2012 Page 1 of 4 12:39PM

### Notice of Removal of Designated Forest Land and Compensating Tax Calculation Chapter 84.33 RCW

SKAGIT \_\_\_\_\_ County

Grantor or County: Skagit County Assessor

Grantee or Property Owner: Earline M Swanson

Mailing Address: 6130 Hobson Rd

City: Bow State: WA Zip: 98232

Property Address: NHN Bow, WA

Legal Description: NE 1/4 NE 1/4 LESS PART OF TAX 1 SEC27, TWP 36 N RGE 3 E W.M.

Assessor's Parcel/Account Number: P48399

Reference Numbers of Documents Assigned or Released: CF VIO#002-012

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

If compensating tax is due, it is payable to the County Treasurer 30 days from the date of this notice. Any amount unpaid on its due date is considered delinquent. From the date of delinquency until paid, interest will be charged at the same rate applied by law to delinquent ad valorem property taxes. The county may begin foreclosure proceedings as provided in RCW 84.64.050 if the compensating tax and interest remain unpaid.

Is removal subject to compensating tax?  Yes  No

If yes, complete the remainder of this form. If no, complete the following three steps.

1. Calculate amount in #4, calculation of tax for remainder of current year.
2. Reason for exception of compensating tax (see last page of this form for a list of exceptions.) \_\_\_\_\_
3. Provide a brief explanation on why removal meets the exception listed in question 2.

County Assessor or Deputy: [Signature]

Date of Notice: 9 Feb 2012

Total Compensating Tax Due: \$ 4,104.99  
(See #3 on next page)

Payment Due Date: 9 Mar 2012

SKAGIT

DFL Loss Worksheet  
for Property 48399

2/9/2012 12:05:01PM

Change In Use Date: January 31, 2012

Acres Removed: 20.0000

Non-Senior

Current Tax Year	Market Value	Forest Land Value	Last Levy Rate	Proration Factor	Market Taxes Due	Override
Year						
Current Tax Year	\$40,800.00	\$3,300.00	10.947	0.084699	\$34.77	
Remainder of Year	\$40,800.00	\$3,300.00	10.947	0.915301	\$375.73	
<b>Total</b>					<b>\$410.50</b>	

Prior Tax Years	Market Value	Forest Land Value	# Years in DFL	Last Levy Rate	Market Taxes Due
Year					
Prior Tax Years	\$40,800.00	\$3,300.00	9	10.947	\$3,694.49
<b>Total</b>					<b>3,694.49</b>

Current Year Taxes Due: 410.50  
 Recording Fee: 0.00  
 Prior Year Taxes Due: 3,694.49  
 Prior Year Compensating Tax: 3,694.49  
 Total Year Compensating Tax: 4,104.99



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## Removal from Designated Forest Land and 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 from designated forest land, the assessor must send the owner a written notice, setting forth the reasons for the removal.

### Compensating Tax

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 the forest land value on the land being removed and the taxes that would have been paid at the 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.

### 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, the land will not be removed from designation until the application is denied. However, according to WAC 458-30-215(8), if an application for reclassification was previously denied, a reapplication covering the same parcel of land, or a portion thereof, may not be submitted to the granting authority until 365 days have elapsed from the date the initial application for reclassification was received.

### Appeal

The property owner or person responsible for the payment of taxes may appeal the assessor's removal from designation and/or the true and fair value calculated as of January 1 of the year of removal to the County Board of Equalization. Said Board may be reconvened to consider these appeals. The petition must be filed with the Board on or before July 1 of the year of the assessment or 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. A petition form may be obtained by either contacting the assessor or the county board of equalization in the county in which the land is located. County contact information can be found at the following website:  
<http://dor.wa.gov/Content/FindTaxesAndRates/PropertyTax/Links.aspx>.



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**Compensating Tax is Not Imposed if the Removal From 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 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 conservation easement of private forest lands within unconfined channel migration zones or containing critical habitat for threatened or endangered species 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 and the individual(s) or entity(ies) who received the land from the deceased owner is selling or transferring the land. The date of death shown on a death certificate is the date used;
10. The discovery that the land was designated in error through no fault of the owner; or
11. A transfer of a property interest, in a county with a population of more than six hundred thousand inhabitants, to a government entity, or to a nonprofit historic preservation corporation or nonprofit nature conservancy corporation, as defined in RCW 64.04.130, to protect or enhance public resources, or to preserve, maintain, improve, restore, limit the future use of, or otherwise to conserve for public use or enjoyment, the property interest being transferred. At such time as the land is not used for the purposes enumerated, the compensating tax shall be imposed upon the current owner.

To ask about the availability of this publication in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users, please call 1-800-451-7985. For tax assistance, call (360) 534-1400.