

**PIERCE COUNTY ASSESSOR-TREASURER
APPLICATION FOR EXEMPTION FOR PHYSICAL IMPROVEMENT
TO A SINGLE FAMILY DWELLING**

RCW 84.36.400

Taxpayer: _____ Application #: _____

Address: _____ Daytime Phone #: _____

Parcel #: _____ Property Address: _____

Legal description (not required if parcel number is provided): _____

Description of improvements claimed for exemption: _____

Construction to begin on: _____ Estimated Cost Of Improvement: _____ Name of Contractor/Builder: _____

Building Permit Issued By: Pierce County OR City of _____

Permit #: _____ Date Issued: _____

I hereby certify that the information provided is true and correct to the best of my knowledge and that this property has not received the exemption provided by said RCW 84.36.400 in the past five years.

Taxpayer: _____ Date: _____

Assessor's Use Only

Value after Construction: _____ Date: _____

Value prior to Construction: _____ Date: _____

Increase in Value: _____ Percent: _____

Amount of Exemption (Not to exceed 30%
of value prior to construction): _____

Taxable Value of Structure(s): _____

Exemption to Begin in Assessment Year: _____ Exemption to End in Assessment Year: _____

Assessor-Treasurer or Deputy

Taxpayers making certain “physical improvements” to “single family dwellings” in their ownership may be eligible for a three year tax exemption on the added value of improvements made. Washington State law, RCW 84.36.400, provides for a limited, three-year exemption for additions and certain improvements to single family dwellings. (See also WAC 458-16-080 for definitions, exemption limitations and appeal rights.)

Qualifying definitions:

“Single family dwelling” means an independent and free-standing structure containing one dwelling unit that is maintained and used as a residential dwelling designed exclusively for occupancy by one family. For the purposes of this exemption, a manufactured home, mobile home or park model manufactured home that is permanently fixed with utility service connections will be considered a “single family dwelling”.

“Physical improvement” means any addition, improvement, remodel, renovation or structural enhancement that materially adds to the value of an existing single family dwelling. It is an actual, material and permanent change that increases the value of the dwelling.

“Physical improvement” **includes** the addition of a garage, carport, patio or other improvement to the dwelling that materially adds to its value. Garages and carports qualify for this exemption only if they are attached to the dwelling. For purposes of this exemption, “physical improvement” **does not include** swimming pools, detached garages, fencing, landscaping, outbuildings, barns, sheds, shops or other items that may enhance the value of the property, but is not common to or normally recognized as a structural component of a single family dwelling. It also **does not include** repairs to or deferred maintenance to a dwelling.

Limitations of exemption:

The amount of the exemption is the difference between the dwelling’s true and fair value before and after the qualifying improvement is made. The exemption amount is limited to a maximum of thirty percent of the value of the dwelling prior to the addition of qualifying improvements. The value of the land and any structures on the land other than the qualifying dwelling itself are not included in determining the thirty percent exemption limit. The actual cost of improvements made is not the basis for the exemption. This exemption may not be claimed on the same dwelling more than once in a five-year period.

Note: The fact that a dwelling has received the exemption provided for herein does not cause the property value to be frozen during the period of exemption. The property continues to be revalued as other properties in the county. At the conclusion of the three-year exemption period the amount of exempted assessed valuation will be added to the qualifying property’s taxable valuation.

How to apply for exemption/taxpayer’s obligations:

Taxpayers claiming this exemption must apply with the county assessor **prior to completion of the improvements sought to be exempted.** (See WAC 458-16-080 (3) Exemption – Taxpayer Obligations.)

Upon completion of the improvements claimed for exemption, the **taxpayer must submit a written notice of completion** to the assessor. The exemption will not take effect until the assessor has been notified in writing.

Appeal Rights:

Taxpayers have the right to appeal the assessor’s determinations in the following areas: a) the denial of the application for exemption; b) the removal of the exemption prior to expiration of the 3-year exemption period; and c) the amount of exemption granted. Appeals must be filed with the Pierce County Board of Equalization by July 1st of the year of the determination or 60 days from the date of the notice of determination, whichever is later. **Pierce County Board of Equalization, (253) 798-7415, www.piercecountywa.org/boe**

Pierce County Assessor-Treasurer, 2401 S. 35th St., Rm. 142, Tacoma, WA 98409. (253) 798-7145