



In-Lieu Excise Tax



35.21.755 - Public corporations

Description	Public corporations, commissions, and authorities must pay an in-lieu excise tax equal to what the property tax would be if a private owner owned the property. Certain properties are exempt from this in-lieu tax including property: <ul style="list-style-type: none">- located in a special review district established prior to January 1, 1976;- listed on a federal or state register of historical sites;- used primarily for low income housing, as a convention center, performing arts center, public assembly hall, public meeting place, public esplanade, street, public way, public open space, park, public utility corridor, or public view corridor;- considered blighted property acquired by a public corporation for remediation purposes; or- used for transit purposes by a regional transit authority.															
	Certain historical properties are exempt from the leasehold excise taxes of RCW 82.29A.															
Purpose	Supports social benefits provided by community resources and encourages owners to retain historical property.															
Taxpayer savings	(\$ in millions): <table border="1"><thead><tr><th></th><th>FY 2016</th><th>FY 2017</th><th>FY 2018</th><th>FY 2019</th></tr></thead><tbody><tr><td>State Taxes</td><td>\$2.320</td><td>\$2.370</td><td>\$2.430</td><td>\$2.490</td></tr><tr><td>Local Taxes</td><td>\$9.350</td><td>\$9.830</td><td>\$10.220</td><td>\$10.640</td></tr></tbody></table>		FY 2016	FY 2017	FY 2018	FY 2019	State Taxes	\$2.320	\$2.370	\$2.430	\$2.490	Local Taxes	\$9.350	\$9.830	\$10.220	\$10.640
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Local Taxes	\$9.350	\$9.830	\$10.220	\$10.640												
Repeal of exemption	Repealing this exemption would increase revenues.															
Potential revenue gains from full repeal	(\$ in millions): <table border="1"><thead><tr><th></th><th>FY 2016</th><th>FY 2017</th><th>FY 2018</th><th>FY 2019</th></tr></thead><tbody><tr><td>State Taxes</td><td>\$0.000</td><td>\$2.173</td><td>\$2.430</td><td>\$2.490</td></tr><tr><td>Local Taxes</td><td>\$0.000</td><td>\$9.011</td><td>\$10.220</td><td>\$10.640</td></tr></tbody></table>		FY 2016	FY 2017	FY 2018	FY 2019	State Taxes	\$0.000	\$2.173	\$2.430	\$2.490	Local Taxes	\$0.000	\$9.011	\$10.220	\$10.640
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Assumptions	Eleven months of collections in Fiscal Year 2017 due to July 1, 2016 effective date.															
Data Sources	<ul style="list-style-type: none">- County assessor data- State property tax levy model															

Continued

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Additional Information	Additional Information
Category:	Government
Year Enacted:	1974
Primary Beneficiaries:	<ul style="list-style-type: none">• Public Housing Authorities,• Preservation and Development Authorities,• The Meydenbauer Convention Center in Bellevue,• The Thea Foss Esplanade in Tacoma, and• Property of the Regional Transit Authority.
Taxpayer Count:	Unknown
Program Inconsistency:	None evident
JLARC Review:	JLARC has scheduled to review in 2016