

# Real estate excise tax

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## What is the real estate excise tax?

Real estate excise tax (REET) is a tax on the sale of real property.

Real property, or real estate, means any interest, estate, or beneficial interest in land or anything affixed to land, including the ownership interest or beneficial interest in any entity that owns land, or anything affixed to land, including standing timber and crops. See WAC 458-61A-102(18) for further information.

All sales of real property in Washington state are subject to REET, unless a specific exemption applies. Usually, the seller pays this tax, but if they don't, the buyer is responsible. If the tax isn't paid, it can create a lien on the property itself.

REET also applies when there's a transfer of controlling interest in entities that own real property in the state. Controlling interest is a transfer of 50% or more of the entity's ownership interest.

## Definitions

Expand all

- ▼ Sale
- ▼ Consideration

- ✓ Controlling Interest
- ✓ Controlling Interest Transfer
- ✓ Controlling Interest Taxable Transfer Period
- ✓ Single Location Transfer
- ✓ Multiple Location Transfer

## Paying the tax

Expand all

- ✓ When is an affidavit required?
- ✓ How to complete the affidavit?
- ✓ How do I pay the tax?
- ✓ What rate do I pay?
- ✓ How do I claim an exemption?
- ✓ What exemptions are available?
- ✓ When is tax due?
- ✓ When do penalties and interest apply?
- ✓ What is special consideration for agriculture or timber land and predominate use?
- ✓ How do I complete a refund request?

## FAQ's

Expand all

- ✓ When am I required to file a controlling interest transfer return? (Secretary of State Annual Report)
- ✓ How can I make an electronic payment for my Controlling Interest Transfer Return?

- ✓ My transfer may qualify under multiple exemptions. Should I list them all?
- ✓ What is the "lookback" period?
- ✓ What should I do if my information will not fit in the REET affidavit?
- ✓ What should be used as the date of sale?
- ✓ I received a letter notification that my transfer is under Audit. What should I do?
- ✓ Can a Power of Attorney (POA) sign REET documents?
- ✓ What are the funds used for?
- ✓ What is the selling price for controlling interest transfers?
- ✓ Are electronic signatures valid?
- ✓ What is the true and fair (market) value?
- ✓ How can I get updates regarding REET?
- ✓ What documentation is required to be kept?

## Questions?

Please call 360-704-5905.

## More information

Completing a single location affidavit - Watch a video 

Completing a controlling interest affidavit - Watch a video 

Completing a multiple locations affidavit - Watch a video 

## Request a tax ruling

## Exemptions

Exemption codes 1/1/2023 or after

Exemption codes prior to 1/1/2023

Exemption rules

## Forms & publications

REET forms

Special Notices

Water rights transfers

Selling price thresholds eff. 1/1/2023

Monthly distribution

## References

WAC 458-61A

RCW 82.45

RCW 82.46

ETA 3215.2020

ETA 3216.2019



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