



Kittitas County Assessor

205 W 5th • Suite 101, Courthouse • Ellensburg, WA 98926-2887

Phone (509) 962-7501 • Fax (509) 962-7666

Upper County Toll-Free 674-2584

www.co.kittitas.wa.us/assessor

THE STATUTORY DATE OF APPRAISAL

Washington State law requires the appraisal date of all revaluation appraisals to be January 1:

RCW 84.40.020—All real property in this state subject to taxation shall be listed and assessed every year, with reference to its value on the first day of January of the year in which it is assessed....

Every year, property is valued as of January 1 *of the year in which it is assessed*. In Kittitas County, each property without new construction is only revalued every four years. This is allowed under RCW 84.41.030:

Each county assessor shall maintain an active and systematic program of revaluation on a continuous basis, and shall establish a revaluation schedule which will result in revaluation of all taxable real property within the county at least once each four years and physical inspection of all taxable real property within the county at least once each six years....

The statutory appraisal date for this property was January 1, 2009. In order to maintain equity within a four year revaluation cycle, it is critical that all properties are revalued as of the statutory date of January 1 of their respective assessment years. The following court case explains why.

In 2002, Advanced Silicon Materials (ASiMI), a large manufacturing plant in Grant County, challenged the assessed value of \$209 million set as of January 1, 1999. ASiMI contended that due to deteriorating market conditions, the plant was only worth \$9.4 million by 2002. Grant County, like Kittitas County, is on a four year revaluation cycle. Apart from physical destruction and new construction, Grant County saw no basis in law to change property values during the four years between revaluations. The Washington State Supreme Court ruled in favor of Grant County and a four year revaluation cycle¹. This ruling overturned a Superior Court decision ordering an adjustment of value in the middle of the revaluation cycle.

One of the decisive arguments in this case was that a cyclical revaluation process must be systematic to meet the state constitution's uniformity clause. Mid-cycle challenges would disrupt uniformity by allowing property owners to seek lower valuations when markets are weak while letting lower valuations stay on the books when markets are strong. The Supreme Court agreed that to be fair, a cyclical revaluation program must be systematic so that property owners are subjected equally to its benefits [low assessed values in mid-cycle in a strong market] and burdens [high assessed values in mid-cycle in a weak market].

Kittitas County has just finished revaluation cycle 1, which includes rural land throughout the county. The statutory appraisal date for revaluation of this cycle was January 1, 2009. Any valuations based on conditions on a date other than January 1, 2009 would be "mid-cycle", and contrary to the above Supreme Court decision. Such valuation would also shift the tax burden to properties outside of revaluation cycle 1, which are experiencing the same market conditions but would not have their values lowered.

¹ *Advanced Silicon Materials, LLC v Grant County* 156 Wn.2d 84 (Final Decision December 8, 2005)