

Mail Completed Form To:



Washington State Department of Revenue Taxpayer Account Administration PO Box 47464 Olympia, WA 98504-7464

Washington State Department of Revenue Real Estate Excise Tax Affidavit Controlling Interest Transfer Return Chapter 82.45 RCW – CHAPTER 458-61A WAC

This form must be used for reporting transfers of controlling interest and for buyer disclosure to the Department of Revenue. (Use Form No. 84-0001A for reporting transfers by deed or real estate contract to the county treasurer/recorder of the county in which the real property is located.) This return must be fully and accurately completed.

1 TRANSFEROR (Attach a list for multiple transferors including percentage sold) Name Street City State Zip Tax Registration Number Federal Identifier Number Percent of Entity Ownership Sold % AFFIDAVIT I certify under penalty of perjury under the laws of the state of Washington that the information on this return is true and correct. Signature of Transferor/Agent Name (print) Date & Place of Signing Telephone Number

2 TRANSFEREE (Attach a list for multiple transferees including percentage bought) Name Street City State Zip Tax Registration Number Federal Identifier Number Percent of Entity Ownership Purchased % AFFIDAVIT I certify under penalty of perjury under the laws of the state of Washington that the information on this return is true and correct. Signature of Transferee/Agent Name (print) Date & Place of Signing Telephone Number

3 Name and address of entity whose ownership was transferred. (Attach a list for multiple entities) Name Street City State Zip Tax Registration Number Federal Identifier Number Type of entity (check one): Corporation Partnership Trust Limited Liability Company

4 Attach a list of names, addresses, and relationships of all entities affected by this transfer.

5 Local REET Tax Calculation Table with columns: A. Location, B. County Tax Parcel No., C. True & Fair Value, D. Local City/County Tax. Includes a Totals row.

6 Is this property predominately used for timber (as classified under RCW 84.34 and 84.33) or agriculture (as classified under RCW 84.34.020) and will continue in it's current use? If yes and the transfer involves multiple parcels with different classifications, complete the predominate use calculator (see instructions). Yes No State REET Tax Calculation Total True & Fair Value \$ Excise Tax: State Less than \$500,000.01 at 1.1% \$ From \$500,000.01 to \$1,500,000 at 1.28% \$ From \$1,500,000.01 to \$3,000,000 at 2.75% \$ Above \$3,000,000 to 3.0% \$ Agricultural and timberland at 1.28 % \$ Total Excise Tax: State \$

7 TAX COMPUTATION: Date of Transfer *If tax exemption is claimed, provide reference to WAC Title and Number below* Click here for a complete list of acceptable exemptions. (please click on additional links provided for further details on each WAC) If you conclude that one of these exemptions applies to you please reference the Title and WAC number here.

Department of Revenue Use Only

Table with 2 columns: Description, Amount. Rows include: State REET Tax (from Section 6)...., Local REET Tax (from Section 5)...., Total REET Tax....., Delinquent Interest....., Delinquent Penalty....., TOTAL DUE

Please See Information on Reverse

Instructions

1. Enter the information for all individuals or entities transferring interest, including the percentage of interest transferred. Attach a list of additional transferors' information, if necessary.
2. Enter the information for all individuals or entities receiving interest, including the percentage of interest received. Attach a list of additional transferees' information, if necessary.
Both the transferor(s) and transferee(s) or agent(s) of each must sign the affidavit certifying the accuracy of the information on this return.
3. Enter the information of the entity in which interest transferred. If multiple entities were transferred, attach a list identifying each entity and the parcels owned by that entity. All parcels should be listed in section 5. Check the box for the type of entity.
4. Attach a list of all subsidiaries of the transferred entity, including the addresses and relationships of all entities and assessed value of real property they own in Washington.
5. Select the location, local tax rate, parcel number and **true and fair value of all real property*** (including leasehold interest) in which the transferred entity has an interest. Calculate the local tax and totals.
Location codes and rates can be found using the Local Real Estate Excise Tax Rates publication at dor.wa.gov/REET. Attach a spreadsheet showing additional real property information, if necessary. **If completing this form using the fillable pdf, enter only the location, parcel number, and the true and fair value of each parcel. The additional blanks in this section will be automatically calculated.**
6. Check yes if the land is primarily used for timber as defined by RCW 84.34 and 84.33 or agriculture as defined by RCW 84.34.020. See ETA 3215 for additional information. If the sale involves multiple parcels in which one or more parcel(s) is classified as above and one or more parcel(s) is **not** included in these classifications, you must complete the predominate use worksheet which can be found at dor.wa.gov/REET.

State REET tax computation: Enter the total true and fair value from the total column C in step 5.

Example

	Column A	Column B	Column C
Threshold	Amount within threshold amount	State rate	Tax
0 to \$500,000	500,000	1.1%	5,500
500,000.01 - 1,500,000	1,000,000	1.28%	12,800
1,500,000.01 – 3,000,000	100,000	2.75%	2,750
3,000,000.01 and above	0	3.00%	0
Totals	\$1,600,000		\$21,050

Calculate the state excise tax due using this chart:

	Column A	Column B	Column C
0 to \$500,000		1.1%	
500,000.01 – 1,500,000		1.28%	
1,500,000.01 – 3,000,000		2.75%	
3,000,000.01 and above		3.0%	
Totals			

7. Enter the date the interest in the entity transferred. Tax is due at the time of transfer. If tax is not paid within one month of the date of transfer, interest and penalties will apply.

The interest rate is variable and may be found on our website at dor.wa.gov/sites/default/files/legacy/Docs/Pubs/Misc/REETInterestRates.pdf.

Delinquent penalties are 5% one month after the due date; 10% two months after the due date; and 20% three months after the due date. (RCW 82.45.100)

If an exemption from paying the real estate excise tax is being claimed, enter the valid Washington Administrative Code (WAC) Title and Number for the exemption. If a WAC Title and Number are entered, the Total Due will be zero.

Real Estate Excise Tax rules and laws:

For further information about Controlling Interest Transfers, please see the rules and laws located at the following links: dor.wa.gov/REET

Audit:

Information you provide on this form is subject to audit by the Department of Revenue. Underpayments of tax will result in the issuance of a tax assessment with interest and penalties. Note: In the event of an audit, it is the taxpayers' responsibility to provide documentation to support the selling price or any exemption claimed. **This documentation must be maintained for a minimum of four years from date of sale. (RCW 82.45.100)**

Per RCW 82.45.100 (5) No assessment or refund may be made by the department more than four years after the date of sale except upon a showing of:

- (a) Fraud or misrepresentation of a material fact by the taxpayer;
- (b) A failure by the taxpayer to record documentation of a sale or otherwise report the sale to the county treasurer; or
- (c) A failure of the transferor or transferee to report the sale under RCW 82.45.090(2).

Ruling requests:

You may request a predetermination of your tax liability. The written opinion will be binding on both you and the department based on the facts presented ([WAC 458-20-100\(9\)](#)). Go to our website at dor.wa.gov/rulings or fax your request to 360-705-6655.

Perjury:

Perjury in the second degree is a class C felony which is punishable by confinement in a state correctional institution for a maximum term of five years, or by a fine in an amount fixed by the court of not more than \$10,000, or by both such confinement and fine (RCW 9A.72.030 and RCW 9A.20.021(1)(c)).

Real Property:

"Real property" means land or anything affixed to land, including standing timber or crops. Examples: Buildings, condominiums, used park model trailers, used floating homes, underground irrigation systems or utilities, and other types of property that are permanently affixed such as leasehold improvements not required to be removed at the end of your lease. See WAC 458-61A-102 & WAC 458-61A-106 for additional information.

True and fair value:

Means market value, which is the amount of money that a willing, but unobliged, buyer would pay a willing, but unobliged, owner for real property, taking into consideration all reasonable, and possible uses of the property. The measure of tax in a controlling interest transfer is the "selling price," which is 100% of the true and fair value of the real property owned by the entity at the time the controlling interest is transferred ([WAC 458-61A-101](#)).