



# THE FOREST HARVEST EXCISE TAX, IN ADDITION TO THE PROPERTY TAX, IS DISTRIBUTED TO SCHOOL AND OTHER COUNTY TAXING DISTRICTS

Harvesters of public and private timber pay a Forest Harvest Excise Tax (FET) equal to 5% of the gross value of the harvest, in addition to the property tax. **Ninety-four percent** of the FET revenue goes to county taxing districts. The FET is **distributed to school and other county taxing districts** in the county in which the timber is harvested.

## Public and Private Timber Harvesters Pay Their FET to the Department of Revenue

Harvesters pay their FET quarterly to the Department of Revenue (DOR) which deposits the FET into the Timber Tax Distribution Account (TTDA). (See RCWs 84.33.041 & 84.33.046.)

## Washington State Treasurer Distributes the FET to the Appropriate Counties

Quarterly, the Washington State Treasurer distributes from the TTDA to each county its share of timber tax revenue less DOR administrative costs. The FET is a major source of funding for counties. The distributions are made on the last working day of February, May, August, and November. (See RCW 84.33.051.)

## County Treasurer Distributes the FET to the School and Other County Taxing Districts

The county treasurer deposits the money in a "County Timber Tax Account." All distributions to the local taxing districts are to be made from this account. Each county is responsible for computing the distribution amounts for local taxing districts. County treasurers distribute according to three priorities:

- Priority 1 – Voter Approved Bonds
- Priority 2 – School Maintenance and Operation levies
- Priority 3 – Regular levies

## Distribution Schedule Prioritizes Bonds and Schools

The counties must distribute the revenue according to the following system:

- 1st Quarter- Pay 50% of Priority 1 levies and 50% of Priority 2 levies
- 2nd Quarter- Pay Priority 3 levies (by percentage, if necessary)
- 3rd Quarter- Pay remaining 50% of Priority 1 levies and remaining 50% of Priority 2 levies
- 4th Quarter- Pay remaining due on Priority 3 levies then establish 20% reserve for the following year; pay any remaining to Priority 3 levies by percentage
- A revenue shortfall may require an adjustment to the above schedule.

## Amounts Distributed to Local Taxing Districts Are Significant

In CY 2013, approximately \$35 million was distributed to counties. The DOR publishes historical quarterly distributions to each county here: [http://dor.wa.gov/content/FindTaxesAndRates/OtherTaxes/Timber/forst\\_statco.aspx](http://dor.wa.gov/content/FindTaxesAndRates/OtherTaxes/Timber/forst_statco.aspx)





## About the Washington Forest Protection Association

Founded in 1908, the Washington Forest Protection Association (WFPA) is a trade association representing large and small forest landowners and managers of nearly 4 million acres of productive working forestlands located in the coastal and inland regions of Washington State. Our members support rural and urban communities through the sustainable growth and harvest of timber and other forest products for U.S. and international markets. WFPA's objective is to support balanced policies at the state and national levels which create an equilibrium between equitable costs, environmental protection and long-term regulatory certainty.

724 Columbia St. NW, Suite 250, Olympia, WA 98501 | ph: (306) 352-1500 | fax: (360) 352-4621  
email: [info@wfpa.org](mailto:info@wfpa.org) | [www.wfpa.org](http://www.wfpa.org) | [www.facebook.com/WAWorkingForests](https://www.facebook.com/WAWorkingForests)

