



# Real Estate Excise Tax Scale effective January 1, 2020

## INFORMATION

Senate Bill 5998 was enacted during the 2019 Regular Session and signed into law by Governor Jay Inslee on May 22, 2019. The main points of the bill are that the current Excise Tax rate of 1.28% has been amended to reflect a graduated scale.

Currently, local municipalities add their excise tax on top of the state tax, with most cities in our area adding 0.50 percent. Effective January 1, 2020, Washington State will begin calculating real estate excise taxes based upon a tier system as follows

NEW REAL ESTATE EXCISE TAX RATES (REET)*	
Municipality tax of 0.50% included below	
REET PERCENT	SALES PRICE
1.6%	up to and including \$500,000
1.78%	between \$500,001 - \$1,500,000
3.25%	between \$1,500,001—\$3,000,000
3.5%	\$3,000,001 and over

\*Municipalities of Darrington, Eatonville, Skykomish and Wilkeson have a lower tax rate of 0.25%



\$500,000  
1.60% = \$8,000  
Total REET  
**\$8,000**



\$500,000  
1.60% = \$8,000  
+  
Remaining \$250,000  
1.78% = \$4,450  
Total REET  
**\$12,450**



\$500,000  
1.60% = \$8,000  
+  
Next \$1 Million  
1.78% = \$17,800  
+  
Next \$1.5 Million  
3.25% = \$48,750  
+  
Final 500,000  
3.50% = \$17,500  
Total REET  
**\$92,050**

IN THE KNOW

If you have any questions, please contact your local Rainier Title office for assistance

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