

Special Notice

Intended audience: County treasurers and taxpayers.

Dec. 16, 2021

Legislative changes to delinquent property taxes

The 2021 Legislature passed [Engrossed Substitute House Bill 1410](#) amending [RCW 84.56.020](#), effective Jan. 1, 2022, modifying the interest and penalty provisions for delinquent property tax payments. Specifically, the bill makes the following changes to current law.

Real property

From Jan. 1, 2022, until Dec. 31, 2022, **both** of the following apply for delinquent property taxes:

- The existing 12% rate of interest continues for all nonresidential and residential real property.
- Tax penalties are temporarily eliminated. However, any penalties assessed prior to Jan. 1, 2022, remain due and payable.

Beginning January 1, 2023, **all** of the following apply for delinquent property taxes:

- The existing 12% rate of interest continues for residential real property with more than four units per taxable parcel and all nonresidential real property.
- The rate of interest on residential real property with four units or less, per taxable parcel, including manufactured and mobile homes as defined in [RCW 59.20.030](#), is reduced from 12% to 9%.
- Tax penalties on residential real property with four units or less, no longer apply, unless previously assessed as part of payment agreement.
- Penalties are re-established only on nonresidential real property and residential real property with greater than four units per taxable parcel.
- Additionally, interest must be calculated at the rate in effect at the time of payment, regardless of when the taxes were first delinquent.
 - Example: Taxes became delinquent in any year prior to 2023. If taxes are paid on Jan. 1,

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2023, or later, the rate of interest will be 9% for the entire delinquent balance.

Personal property

- From Jan. 1, 2022, until Dec. 31, 2022, for delinquent property taxes, the existing 12% rate of interest continues all personal property.
- Tax penalties are eliminated. However, any penalties assessed prior to Jan. 1, 2022, remain due and payable.
- Beginning Jan. 1, 2023, delinquent personal property taxes are not subject to interest or penalties.

Questions?

If you have questions or need additional information, please contact the Department of Revenue, Property Tax Division at 360-534-1400 or rasr@dor.wa.gov or your county treasurer.

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