



Resource Summary

This chapter illustrates 2021-2022 budget resources primarily through the use of graphic presentations. Text describing the graphic presentations is included to highlight some of the key information presented.

This Resource Summary is organized into the following sections:

A. Total City Budget Resources

Figure 8a-1 presents the adopted 2021-2022 resource budget for all City funds and contains a comparison to amended 2019-2020 resources. All comparisons in this section compare the 2021-2022 adopted budget to the 2019-2020 Amended budget.

B. Summary of Locally Levied Taxes

Figure 4a-1 presents total City budget resources.

Figure 4a-2 presents the City and State of Washington revenue policies regarding the sales tax.

Figure 4a-3 presents historical sales tax data as well as revenue projections for the adopted 2021-2022 budget.

Figure 4a-4 presents the City and state revenue policies regarding the business and occupations (B&O) Tax.

Figure 4a-5 presents historical B&O Tax data as well as revenue projections for the adopted 2021-2022 budget.

Figure 4a-6 presents the City and state revenue policies regarding the property tax.

Figure 4a-7 presents historical Property Tax levy rates as well as projected levy rates for the adopted 2021-2022 budget.

Figure 4a-8 presents the City and state revenue policies regarding the Real Estate Excise Tax (REET).

Figure 4a-9 presents historical REET Tax data as well as revenue projections for the adopted 2021-2022 budget.

Figure 4a-10 presents the City and state revenue policies regarding Utility Taxes.

Figure 4a-11 presents the City and state revenue policies regarding the Motor Vehicle Fuel Tax.



Resource Summary

Figure 4a-12(A) presents a city comparison of 2020 property tax rates in State of Washington.

Figure 4a-12(B) presents a city comparison of 2020 B&O tax rates in State of Washington.

Figure 4a-13 presents typical distribution of property tax dollars

Figure 4a-11 presents historical property value and tax levy information.

C. Tax Rate Information

Figures 8a-12a and 8a-12b compare Bellevue property tax and average utilities rates to other local jurisdictions.

Figure 8a-13 displays historical property tax information for comparison purposes. Official property tax records are maintained by the King County Assessor's Office.

Figure 8a-14 displays a typical distribution of property tax dollars for Bellevue taxpayers, as well as an estimate of property tax bills for Bellevue homeowners.

NOTE: This section compares the adopted 2021-2022 budget to the amended 2019-2020 budget.

Resource Summary

A. Total City Budget Resources

Figure 8a-1 presents the 2021-2022 resource budget for all City funds and contains a comparison to amended 2019-2020 resources. All comparisons in this section compare the 2021-2022 adopted budget to the 2019-2020 amended budget.

The City has many revenue sources across all funds, from general government to enterprise funds. Generally, revenue remains consistent with the largest fluctuation happening in the most economically driven revenue streams of Sales and Use Tax and Business and Occupation Tax due to COVID-19 impacts.

Many of the resources received are dedicated to a specific purpose and cannot be spent on non-related services or programs. For example, rate revenues received from water service can only be used for that purpose and cannot be used to pay for general services or other types of utility services.

Several revenue streams are restricted, including but not limited to Development Services permits revenue, Property Tax revenue received from the voter-approved Parks Levy, Fire Facilities Levy and Neighborhood Safety, Connectivity and Congestions Levy, and revenue generated by utility rates. As noted in the chart 8a-1, taxes make up 27.4 percent of the total 2021-2022 a biennial budget. The remaining 72.6 percent is a collection of beginning fund balance, utility rates, and other sources.

Sales tax is the most volatile revenue stream for the City and comprises 8.2 percent of total resources. In prosperous economic times sales tax growth is quite strong; in 2007 sales tax grew 16.6 percent with construction leading the way. In poor economic times, sales tax may drop precipitously as illustrated in 2009 during the Great Recession. Sales tax has been on the rise in the last few years (on average 5 percent growth annually), yet had substantial loss in 2020 with an 11 percent decline from 2019 due to COVID and is projected to recover to 2019 level through 2023.

Property Tax makes up 7.2 percent of the City's total resources which can be seen in Figure 8a-1. This budget incorporated a 1 percent adjustment in Property Tax in both 2021 and 2022. The total property tax levy rate in 2021 is \$0.89 per \$1000 Assessed Value (AV), and the 2022 levy rates are expected to drop further due to increases in AV related to new construction. Estimated 2021 and 2022 levy rates include voter-approved Parks, Fire Facilities, and Neighborhood Congestion, Safety, and Connectivity levies.

Business & Occupation Tax is 5.3 percent of the City's resources and performs similar to sales tax but the tax base is somewhat more expansive giving it slightly more stability than sales tax. Unlike sales tax, B&O tax is based on gross receipts for retail sales or calculated by square footage for those companies that don't necessarily have gross receipts but perform other activities such as management activities of headquarters. Without penalty

Resource Summary

audit revenue, the B&O tax collection had a 10 percent decline from 2019 due to COVID-19 and is forecasted to recover 9.2 percent in 2021 from the deep loss in 2020, then 6.9 percent year-over-year growth in 2022.

Utility Taxes include electric, natural gas, water, sewer, storm drainage, garbage, and telephone utility activity. City-run utilities such as water, sewer and storm drainage, have grown consistently from year to year and were only minimally affected by the recession. Electric and Gas tax has increased due to rates and usage increases. Telephone and cell phone services have been going through systemic changes that have resulted in declining collections and are expected to decline further. Increasingly people are discontinuing landline telephones services and data plan on cell phone bills are exempt from tax, resulting in reduced cell phone tax collections.

Other taxes include hotel/motel, Real Estate Excise (REET), Criminal Justice Sales, Admissions, Gambling, and Leasehold Excise Taxes, as well as tax penalties. Hotel/motel tax collections were heavily impacted by COVID-19 and hotel occupancy is forecasted to recover through 2025. The city has an abundance of large buildings in the downtown area, as well as in Eastgate. When these buildings sell, they contribute significant REET dollars to the city. Commercial construction went down widely during COVID-19, and commercial real estate remained in contraction, which will impact future REET collections. The Criminal Justice Sales tax collections went down with the decrease in King County sales tax collections. Other tax collections like Admissions, Gambling went down due to the COVID-19 and Stay Home order.

Utility Service Fees are the third-largest category of resources making up 18.4 percent of total City resources. Utility Service Fees can only be used to support the specific utility for it was collected. As an example, water service fees cannot be used to support sewer operations. This revenue category is made up of water, sewer, and storm and surface water service fees. These revenues are projected to grow by \$5.2 million over the 2021-2022 biennium, primarily attributable to utility rates increase from 3.8 to 3.9 percent across water, sewer, and storm drainage. More information is provided in 2021-2026 Utilities Forecast.

Beginning Fund Balance (BFB) is the second-largest category of resources at \$359.9 million or 20.6 percent of total City resources. The General Fund's 2021 beginning fund balance is \$38.7 million or 10.8 percent of total Beginning Fund Balance. The other two major funds are Enterprise Fund and Capital Investment Funds, which contribute \$65.0 million or 18.1 percent and \$205.0 million or 57.0 percent of total Beginning Fund Balance respectively. Similar to other resources, fund balance often is restricted to fund only certain types of expenses. As an example, the Sewer Utility fund balance can only be used to fund expenses that support the Sewer Utility. Conversely, the General Fund balance can be used for any purpose.

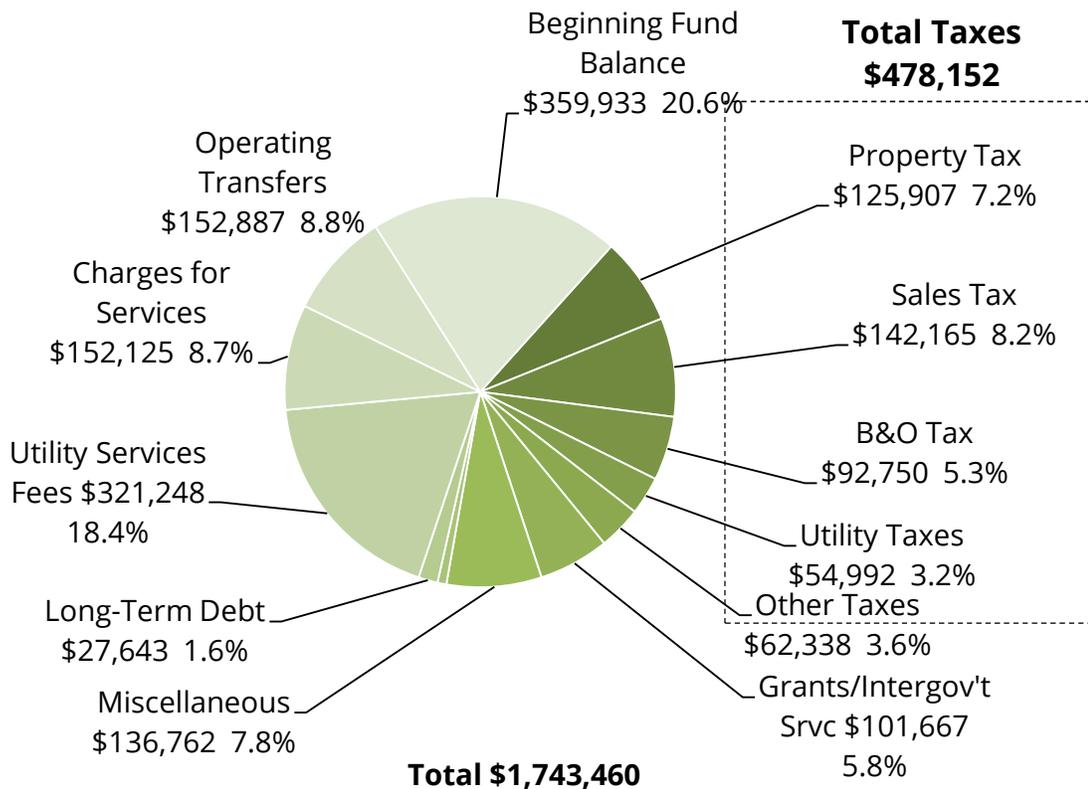
Resource Summary

Operating Transfers, \$152.9 million or 8.8 percent of total resources, are anticipated to decrease by \$11 million or 6.7 percent from 2019-2020 to 2021-2022. Operating Transfers are a transfer between funds. An example of an operating transfer would be a transfer from an operating fund to a capital fund to support future or present capital projects. Another example is a transfer from a capital fund to an operating fund when an operating fund FTE works on a capital project.

The components of Intergovernmental Revenues include but are not limited to Federal and State Grants, Interlocal Contributions including Sound Transit contributions, King County contributions, and Point Communities contributions, and revenue from rents and leases.

Figure 4a-1

**2021-2022 Total City Budget Resources
\$000**





Resource Summary

Comparison to 2019-2020 Budget

	2019-2020 Amended Budget	2021-2022 Adopted Budget	\$ Change	% Change
Taxes				
Sales Tax	\$155,471	\$142,165	(\$13,306)	(8.6%)
Property Tax	119,434	125,907	6,473	5.4%
Business & Occupation Tax	95,133	92,750	(2,383)	(2.5%)
Utility Taxes	58,759	54,992	(3,767)	(6.4%)
Other Taxes	81,838	62,338	(19,500)	(23.8%)
Total Taxes	\$510,636	\$478,152	(\$32,484)	(6.4%)
Beginning Fund Balance	\$363,804	\$359,933	(\$3,871)	(1.1%)
Utility Services Fees	316,096	321,248	5,152	1.6%
Miscellaneous	207,348	136,762	(70,586)	(34.0%)
Short-Term Debt	17,497	13,043	(4,454)	(25.5%)
Long-Term Debt*	0	27,643	27,643	100.0%
Charges for Services	144,620	152,125	7,505	5.2%
Operating Transfers	163,893	152,887	(11,006)	(6.7%)
Grants/Intergovernmental Services	116,760	101,667	(15,093)	(12.9%)
Total Resources	\$1,840,653	\$1,743,460	(\$97,193)	(5.3%)

Figures may not foot due to rounding.

*2021-2022 budget contains a technical correction which shows TIFIA as a long-term debt.

B. Summary of Locally Levied Taxes

1. Sales Tax (RCW 82.14.030)

Sales tax is imposed on the sale of most goods and some services. This tax is remitted to the State by businesses and in turn, the State provides the City with a portion of this



Resource Summary

revenue monthly. The total sales tax rate is 10.0 percent in Bellevue and the city receives 0.85 percent of this rate.

Growth in sales tax revenue is driven by growth in sales at retail outlets, direct expenditures by households and businesses, and development activity. Sales tax revenue support activities of the General Fund, General CIP Fund and Housing Fund. The current method for splitting the sales tax between the General Fund and the General CIP fund is for the General Fund to equal 75 percent plus incremental increases in operations and maintenance minus the bond payment for \$10 million CIP debt. The current policy for the General Fund and the CIP Fund is:

Proposals for CIP project funding shall include the estimated future M&O cost, to provide full cost disclosure. Such M&O costs anticipated to be incurred in the upcoming biennium should be included in operating budget proposals for funding consideration. As of 2011, funding for existing CIP M&O is provided by a distribution of the City's sales tax revenue, split between 75 percent General Fund and 25 percent CIP. The dollar amount for CIP M&O is adjusted upward each year by the anticipated Consumer Price Index for all Urban Consumers (CPI-U) after first making any necessary adjustments (e.g., partial vs full-year costs) and eliminating any one-time items. The distribution amounts should be reviewed periodically by Council for reasonableness and potential adjustment.

(Source: City's Comprehensive Financial Policies)

With the issuance of \$79.1 million in debt in 2015, of which \$10 million allows the city to redirect sales tax to address infrastructure and neighborhood needs, the current sales tax split and the source of splitting methodology is shown below:

Resource Summary

Figure 4a-2

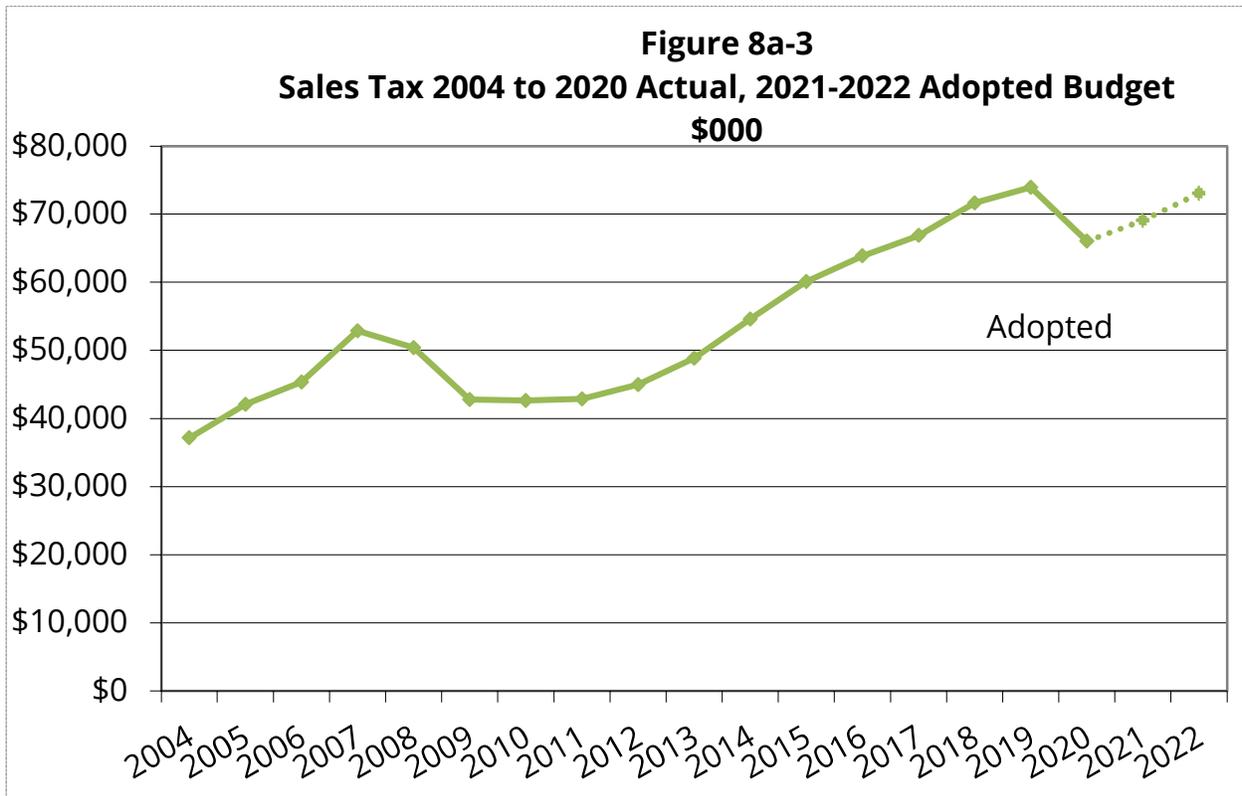
Revenue Stream	Source: RCW; Financial Policy; Ordinance; Guiding Practice	Calculation of where each tax is split to
Sales Tax	<p>RCW 82.14 – establishes sales tax authority for cities.</p> <p>Financial Policy XI.H: splits 75% to the General Fund for CIP M&O plus 25% to the CIP; each year post-2011 the General Fund portion is increased by CPI.</p> <p>2015 Budget Umbrella Ordinance 6209 dated December 14, 2014: Adopted as part of the budget a 2% property tax increase, which allowed for \$694,000 of sales tax to be redirected to the CIP to cover debt service for the 2015 bonds.</p> <p>Housing Trust Fund has been a transfer from sales tax since 1991.</p>	<p>Sales tax Split Calculation:</p> <p>Total Sales Received by the City Less \$100,000 to the Housing Trust Fund Less \$694,000 to the CIP for 2015 Debt Service</p> <p>Subtotal of sales tax to be split between GF/CIP 75% to General Fund (adjusted by CPI from 2011 on) Remainder to CIP (approximately 25%)</p>

In light of the unpredictability of the economic recovery coming out of the COVID shut-down and for the purpose of developing a balanced budget, the adopted budget includes a 2-year adjustment of \$3 million each year, reducing the amount of sales and B&O tax flowing to the CIP, and instead channeling those resources into the General Fund. This is a short-term adjustment to the policy noted above.

Historical Collections & Trends

Sales tax collections grew significantly from 2003 to 2007, primarily due to increases in development activity and consumer spending (retail and services sectors growth). Sales tax collections for 2008 and 2009 reflect the decline in development and taxable retail activity experienced during the recession. Before COVID-19, sales tax collections had moderate and steady growth. However, projection in 2020 sales tax reflects the COVID-19 impact and projections for 2021-2022 biennium recovery from the economic downturn.

Resource Summary



Maximum Rate:	1.0 percent*
Current Rate:	1.0 percent*
2021 Estimate:	
General Fund	\$50,579,034
(Including sales tax re-allocation)	+3,000,000
General CIP Fund	18,420,463
(Excluding sales tax re-allocation)	-3,000,000
Housing Fund	<u>100,000</u>
Total 2021 Sales Tax	\$69,099,497
2022 Estimate:	
General Fund	\$54,305,247
(Including sales tax re-allocation and technical adjustment)	+\$4,400,000
General CIP Fund	18,660,463
(Excluding sales tax re-allocation and technical adjustment)	-\$4,400,000
Housing Fund	<u>100,000</u>
Total 2022 Sales Tax	\$73,065,710

* 15 percent of the sales tax revenue produced by the city's 1 percent is allocated to the county. In addition to the city's remaining 0.85 percent.

Resource Summary

Comments/Watch Areas

Before COVID-19, overall sales tax has been on a steady growth. One area that has always been a concern is development or construction, which has historically been a large component of the city's sales tax collections. Since it is such a large component of sales tax it leaves it at risk due to how much development is influenced by economic conditions. As has happened in the past when a recession hits, construction will drop dramatically and has dropped as much as 33 percent from its peak during the Great Recession. Many sectors of the economy were hit hard during the pandemic, including food/accommodation, auto sales, retail sales, which together comprised over 55 percent of sales tax revenue. The timing of economic recovery is highly uncertain. The current projection shows sales tax recovery through 2023 mainly due to the slow recovery of consumer confidence. The most impacted industries continue to be food and accommodation, retail, auto sales; services industry and construction industry is projected to recovery relatively faster.

2. Business & Occupation (B&O) Tax (*RCW 35.21.710, RCW 35.21.706, RCW 35.21.711*)

Business and Occupation (B&O) Tax is made up of two components: gross receipts tax and square footage tax. The gross receipts B&O Tax is primarily measured on gross proceeds of sales or gross income. The square footage B&O tax applies to businesses whose in-city activities produce gross revenue indirectly, such as at headquarter locations. Businesses with taxable gross receipts for a business less than \$170,000 or offices with less than 250 taxable square feet are exempt from B&O Tax. The City levies the same rate for all types of business activities. The gross receipt B&O Tax rate is 0.1496 percent of receipts/income and the quarterly square footage rate is \$0.2593882 per square foot in 2020. B&O revenues support General Fund and the Capital Investment Program (CIP) Fund activities, information concerning both state and city policies concerning the B&O Tax are found in the table provided below:

¹ [RCW 35.21.706](#): Referendum procedure. An ordinance that imposes the tax or increases the tax rate must include a provision for a referendum procedure.

[RCW 35.21.710](#): Maximum B&O tax rates established.

[RCW 35.21.711](#): Voter approval for higher rates.

Resource Summary

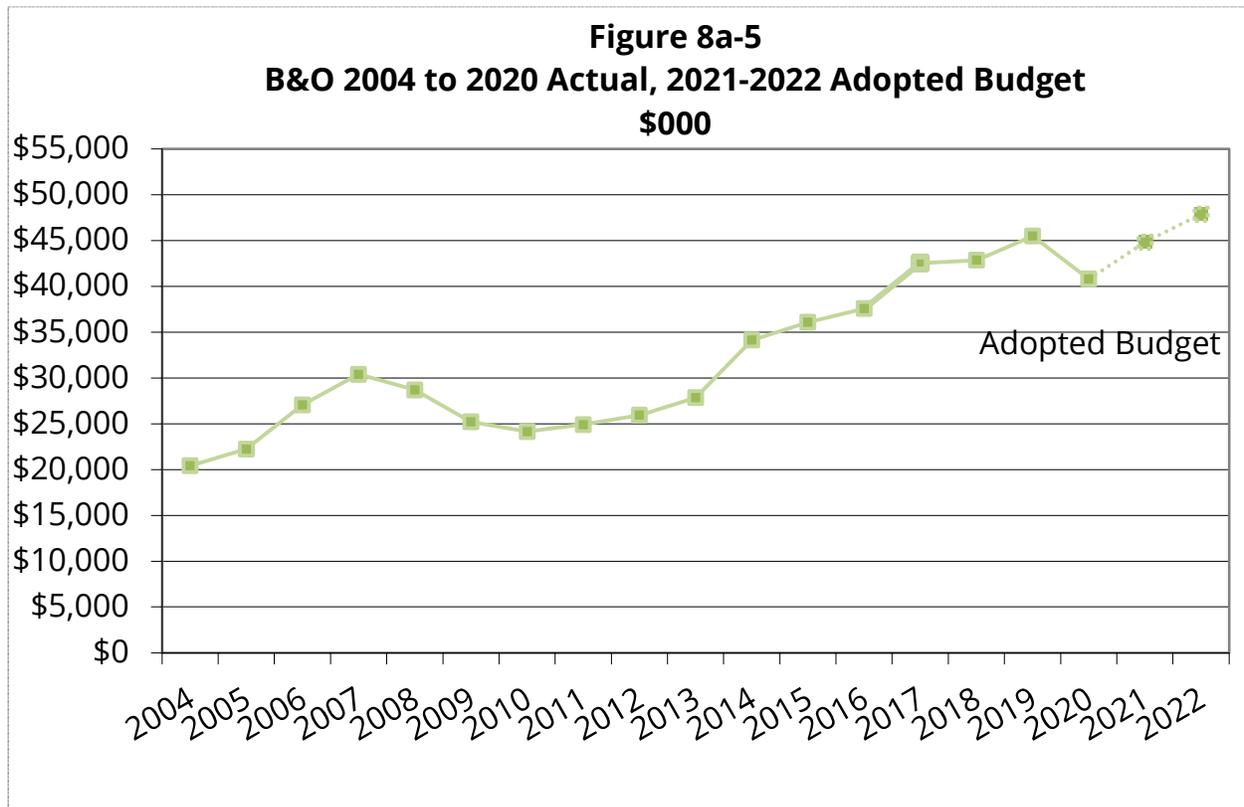
**Figure 4a-4
City and State Revenue Polices: B&O Tax**

Revenue Stream	Source: RCW; Financial Policy; Ordinance; Guiding Practice	Calculation of where each tax is split to												
Business and Occupation Tax	<p>RCW: 35.21.710 establishes B&O tax authority for cities with a cap rate of 0.2%.</p> <p>Ord. 3740 dated December 15, 1986 - Repealed all previous B&O tax ordinances and set the tax rate at 0.013% of gross receipts, specifies B&O taxes may be allocated to projects or programs designated by City Council through the budget process. Budget 1987 split the 0.13% rate; 0.10% to GF, and 0.03% to CIP.</p> <p>Ord. 4047 dated September 5, 1989 -Tax rate increased to 0.1496%</p> <p>Ord. 4103 dated December 18, 1989 - Allocates Increased tax increment from Ord. 4047 of 0.0196% to Traffic Ordinance Operations Fund.</p> <p>Ord. 4907 dated September 3, 1996 - Eliminates Traffic Ordinance Operating Fund and transferred in part to General Fund and in part to General CIP fund. Budget 1997 split this 50/50 between CIP/GF.</p> <p>Ord. 5436 dated February 18, 2002 repeals BCC Section 4.08 and replaces it with 4.09, bringing Bellevue Code in line with other municipalities that charge a B&O tax. (There was no rate change, and past split practices were not changed.)</p>	<p>B&O Tax Split Calculation:</p> <p>Total B&O Tax is splits based on rate allocations:</p> <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 30%; text-align: center;">GF</th> <th style="width: 30%; text-align: center;">CIP</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Ord 3740 & Budget 1987</td> <td style="text-align: center;">0.100%</td> <td style="text-align: center;">0.0300%</td> </tr> <tr> <td style="text-align: center;">Ord 4907 & Budget 1997</td> <td style="text-align: center;">0.0098%</td> <td style="text-align: center;">*0.0098%</td> </tr> <tr> <td></td> <td style="text-align: center;">0.1098%</td> <td style="text-align: center;">0.0398%</td> </tr> </tbody> </table> <p>*dedicated to transportation.</p> <p>Using the calculations noted, the Final split calculated based on the rate is:</p> <p>Total B&O rate: 0.1496% General Fund rate: 0.1098%: (73%) Unrestricted CIP rate: 0.0300%: (21%) Transportation Only CIP rate: 0.0098%: (6%)</p>		GF	CIP	Ord 3740 & Budget 1987	0.100%	0.0300%	Ord 4907 & Budget 1997	0.0098%	*0.0098%		0.1098%	0.0398%
	GF	CIP												
Ord 3740 & Budget 1987	0.100%	0.0300%												
Ord 4907 & Budget 1997	0.0098%	*0.0098%												
	0.1098%	0.0398%												

Historical Collections & Trends

Following a similar pattern to sales tax, B&O Tax collections grew considerably from 2003-2007, reflecting a strong economy. The recession slowed collections in 2008 and 2009. B&O collections hit bottom in 2010 and since has grown at a slow and steady pace. The city projects a deep loss in B&O tax collection (less audit) in 2020 and recovery through 2023. By adding additional effort into ensuring compliance with existing B&O taxes in 2021, the audit revenue is projected to increase, which partially offsets the projected loss.

Resource Summary



Maximum Rate: 0.2 percent

Current Rate: 0.1496 percent

2021 Estimate:

General Fund	\$31,983,117
General CIP Fund	9,879,418
Mobility CIP Fund	<u>2,979,024</u>
Total 2021 Business & Occupation Tax	\$44,841,559

2022 Estimate:

General Fund	\$34,182,978
General CIP Fund	10,545,731
Mobility CIP Fund	<u>3,179,943</u>
Total 2022 Business & Occupation Tax	\$47,908,652

A majority of voters may approve a rate in excess of 0.2 percent. Each 0.01 percent of the business and occupation tax rate is expected to generate \$3.0 million in 2021 and \$3.2



Resource Summary

million in 2022 of B&O Tax revenue, based on each year's current budgeted tax base (RCW 35.21.711: Voter approval for higher rates).

Note: The City Council reserved from its levied capacity a rate of 0.0001 for convention center purposes per Ord. 4094.

Comments/Watch Areas

As with sales tax, B&O Tax also is highly sensitive to economic conditions. B&O Tax however is slightly less volatile due to the tax base being more diverse. The source of the tax base that provides a greater diversity is the non-retail sectors such as professional services that are not subject to sales tax. Similar to sales tax, the COVID-19 impact on B&O Tax differs by sectors, and the recovery is highly uncertain.

3. Property Tax

(RCW 84.52.010, RCW 84.52.043, RCW 41.16.060, RCW 84.55.010, RCW 84.55.092)

Property Tax is applied to the assessed value (AV) of all taxable real and personal property located within the city, with several exceptions such as public structures (government buildings, roads, etc.), property owned by several types of non-profit organizations, personal property (up to a specified dollar value), and others.

Real property includes land, buildings, and improvements to the land such as driveways. Personal property includes movable assets used in conducting a business such as machinery, supplies, and other non-inventory items. Washington State has a budget-based system of property taxation. There are three main components to the property tax: Levy, Assessed value (AV), and Levy Rate. As part of the budget process, the taxing jurisdiction establishes the amount of property tax revenue needed to fund the budget. The amount needed to fund the budget is called the levy. It is the total amount to be collected from the taxpayers by a taxing district. By November 30 of each year, the amount of taxes to be levied by taxing districts are certified to the county assessor who computes the levy rate necessary to raise that amount of revenue. The county assessor calculates the Levy Rate necessary by dividing the total Levy amount by the assessed value of taxable property in the district. By law, this number is expressed in terms of a dollar rate per \$1,000 of valuation. For example, a rate of \$0.00025 is expressed as 25¢ per \$1,000 of assessed value. The formula for property tax collections is expressed as:

Levy = Levy Rate X Assessed Value (AV). The Property Tax Levy is constrained by the overall limits on the regular levy rate and the limit on annual levy increases (Source: MSRC: Property Tax in Washington State).

Property Tax revenues support General Fund activities as well as the Human Services Fund, which accounts for human services activities, including agency contracts. Information

Resource Summary

concerning both state and city policies concerning the Property Tax is found in the table provided below:

**Figure 4a-6
City and State Revenue Polices: Property Tax**

Revenue Stream	Source: RCW; Financial Policy; Ordinance; Guiding Practice	Calculation of where each tax is split to
Property Tax	RCW 84.52; 84.55: establishes property tax authority for cities.	General Fund: 100% of General Property Tax CIP: 100% of all Voted Levies (per ballot language)

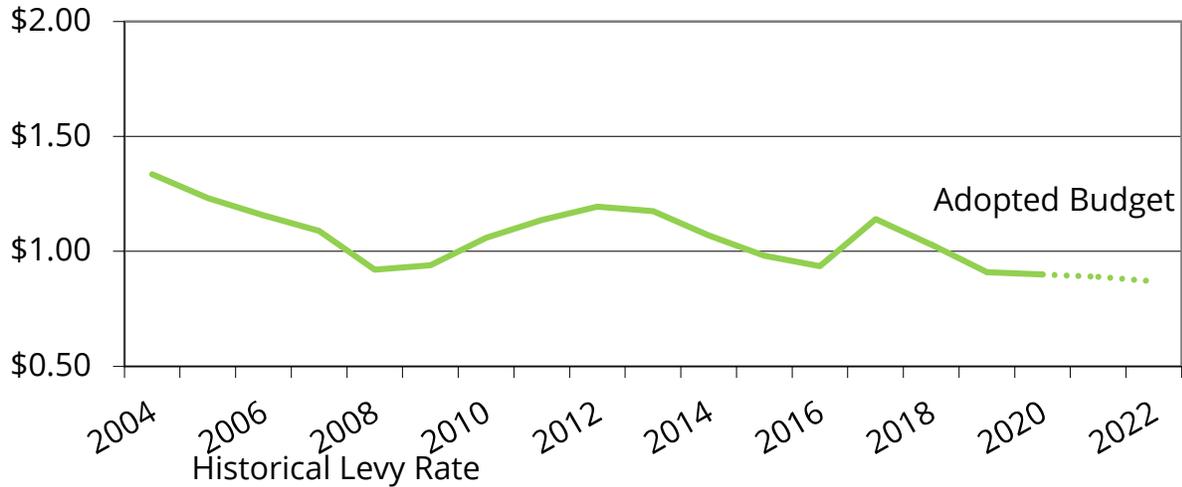
Historical Collections & Trends

Under Initiative 747, the regular Levy can grow at a maximum of 1 percent annually or the rate of “inflation” (defined as the increase in the implicit price deflator (IPD), whichever is less, plus additions for new construction, changes in the value of state-assessed utility property and newly annexed property (referred to as “add-ons”). For 9 of the past 15 years, Bellevue has opted to only levy the additional Property Tax associated with add-ons, but has preserved, or “banked” its remaining allowable levy capacity (maximum allowable levy less actual levy). In 2021, Bellevue has \$9 million in banked capacity available.

As displayed in the following chart, Bellevue’s Property Tax Levy Rate decreased from \$1.34 in 2004 and to \$0.89 in 2021 per \$1,000 AV.

Resource Summary

Figure 4a-7
Total Property Tax Levy Rate
2004 to 2020 Actual, 2021-2022 Adopted Budget



Maximum Rate: \$3.49/\$1,000 AV

2021 Estimated Levy Rate:

Regular Levy Rate: \$0.62/\$1,000 AV

Voted Levy Rate: \$0.27/\$1,000 AV

Total Estimated 2021 Levy Rate \$0.89/\$1,000 AV

2021 Estimated Levy:

General Fund \$39,153,642

Human Services Fund 3,908,600

Parks M&O Fund 660,000

CIP Fund 18,269,005

Total Estimated 2021 Property Tax Levy \$61,991,247

2022 Estimated Levy Rate:

Regular Levy Rate: \$0.61/\$1,000 AV

Voted Levy Rate: \$0.26/\$1,000 AV

Total 2022 Estimated Levy Rate \$0.87/\$1,000 AV

2022 Estimated Levy:

General Fund \$40,762,416

Human Services Fund 4,043,220

Parks M&O Fund 660,000

CIP Fund 18,450,334

Total 2022 Estimated Property Tax Levy \$63,915,970

Resource Summary

Current law limits the Property Tax increase from the prior highest allowable Regular Levy to the lesser of 101 percent or 100 percent plus inflation, where inflation is measured by the percentage change in the Implicit Price Deflator (IPD) (whichever is less) (RCW 84.55.0101). It is often the case that the IPD is higher than the limit factor making the default allowable increase 101% of the prior year's Levy plus new construction. The inflation rate for 2021 Property Tax setting is 0.60152 percent, which means local governments with a population of 10,000 or more may increase their property tax levies by 1 percent in 2021 by adopting a resolution or ordinance of substantial need (Source: MRSC).

The 2021 Regular Levy AV is at \$71.1 billion which is an increase of \$2.9 billion (4.3 percent) from the 2020 AV. Based on the 2021 AV of \$71.1 billion and the Estimated 2022 AV of \$74.2 billion, each additional \$0.01 per \$1,000 assessed value (AV) of the Regular Property Tax Levy Rate generates \$711,000 in 2021 and \$742,000 in 2022 in Property Tax revenue. It should be noted that due to the high increase in AV the Levy Rate is estimated to decrease.

Parks and open space Levy Lid Lift was authorized by the voters in the November 2008 election to provide capital funding over the next 20 years (\$3,389,000 annually) and ongoing maintenance and operations funding (\$660,000 annually). This Levy Lid Lift increased the 2021 Property Tax levy rate by \$0.06 per \$1,000 of assessed value.

In November 2016, the voted Fire Facilities Levy and Neighborhood Safety, Connectivity and Congestions Levy were passed to fund CIP projects. The Fire Facilities Levy increased the 2021 Property Tax Levy Rate by \$0.10 per \$1,000 of assessed value, and the Neighborhood Safety, Connectivity and Congestions Levy increased the 2021 Property Tax Levy Rate by \$0.12 per \$1,000 of assessed value.

4. Real Estate Excise Tax (REET) (RCW 82.46.010 RCW 82.46.035²)

The Real Estate Excise Tax (REET) is levied on all sales of real estate. The rate is 0.5 percent of the selling price of the property. The first 0.25 percent of local REET must be used to fund capital facilities expenditures that have been identified in the city's comprehensive plan. The second 0.25 percent of local REET revenues must also be used to fund capital facilities, with the added stipulation that they cannot be used for the acquisition of land for parks. REET revenues are cyclical and are largely impacted by the number of big real estate transactions. The City Council has adopted an ordinance allocating the first 0.25 percent to Parks Capital Projects and the second 0.25 percent to Transportation Capital Projects.

² RCW 82.46.010 authorizes all cities and counties to levy a 0.25% tax, described as "the first quarter percent of the real estate excise tax" or "REET 1" on all sales of real estate.

RCW 82.46.035 allows all cities and counties that are planning under the Growth Management Act (GMA) to have the authority to levy a second 0.25% tax (REET 2), on all sales of real estate.

Resource Summary

Information concerning both state and City policies concerning the REET is found in the table provided below:

**Figure 4a-8
City and State Revenue Polices: REET**

Revenue Stream	Source: RCW; Financial Policy; Ordinance; Guiding Practice	Calculation of where each tax is split to
Real Estate Excise Tax (REET)	<p>RCW 82.46 – established REET authority for cities.</p> <p>Ordinance 3213 dated December 13, 1982, directed 0.25% of sales price to transportation (REET1);</p> <p>Ordinance 4366 dated June 1, 1992, directed the second 0.25% to community development (REET2).</p> <p>Ordinance 4549 dated July 19, 1993, adopted the 1993-1999 CIP which re-directed REET 2 from community development to transportation and redirected REET 1 to parks.</p>	<p>CIP: 100% of the 0.5% REET rate is spent on capital in the CIP.</p> <p>Split 50% (or 0.25% tax) to Transportation (REET 2), and 50% (or 0.25% tax) to Parks (REET1).</p>

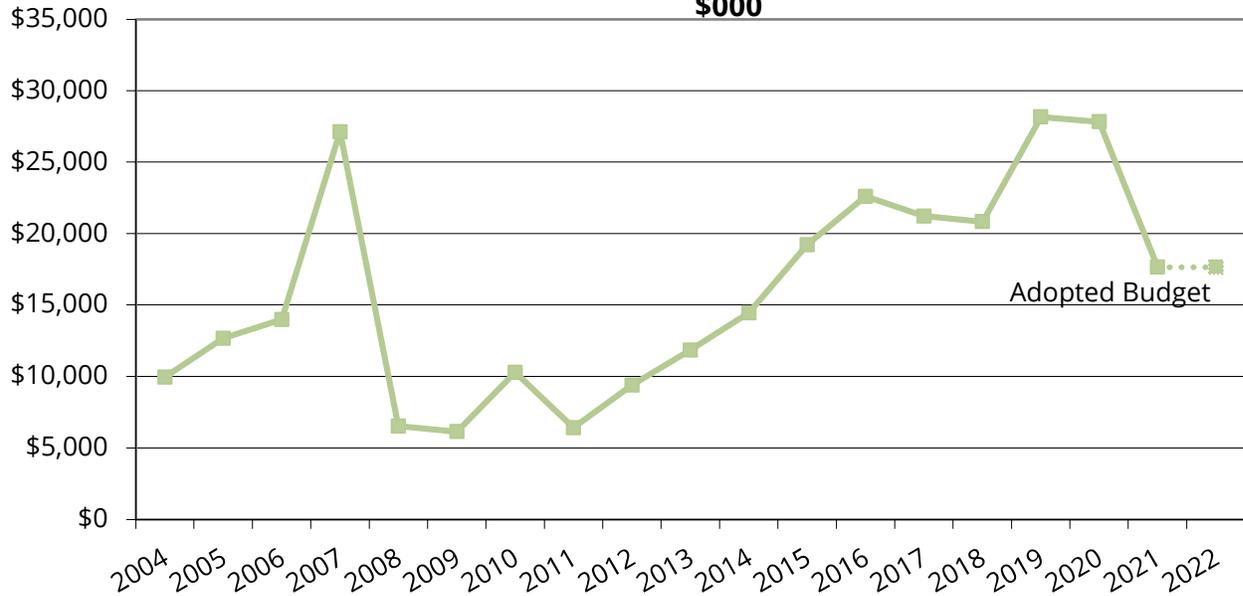
Historical Collections & Trends

Real Estate Excise Tax collections increased an annual average of 21 percent per year between 2001 and 2006. Collections increased 94.3 percent in 2007, fueled by the sale of the portfolio of a major landholder in Bellevue.

In 2019 large transactions rushed to close by the end of December to avoid the higher REET tax rate for property transactions over \$1.5 million effective January 2020 authorized by new state legislation, resulting in a 35 percent increase in 2019 REET collection comparing to the prior year. Large commercial transactions are anticipated to decrease in the coming years due to the anticipated contraction in commercial real estate transactions.

Resource Summary

Figure 8a-9
Real Estate Excise 2004 to 2020 Actual, 2021-2022 Adopted Budget
\$000



Maximum Rate:	0.5 percent
Current Rate:	0.5 percent
2021 Estimate:	\$17,650,000
2022 Estimate:	\$17,650,000

Revenue proceeds are receipted to the General Capital Investment Program Fund to support capital projects.

Watch Areas

REET has been strong for the last few years as real estate companies rebalance their portfolios taking advantage of low-interest rates and a rebound in demand for housing. However, it is projected that REET transactions will slow down in future years, which is consistent with King County’s August 2020 forecast. Since the outbreak of COVID-19, commercial construction was down widely, and commercial real estate remained in contraction. Conversely, residential construction was a bright spot, showing growth and resilience. Residential real estate sales were also notably higher, with prices continuing to rise along with demand and a shortage of inventory.

5. Utility Tax

Bellevue levies a tax on the gross income derived from sales of utility services provided in the city. Services include electricity, gas, water, sewer, storm drainage, garbage, telephone,

Resource Summary

and cellular phone. The revenues generated by these taxes support general city operations. Information concerning both state and city policies concerning the Utility Tax is found in the table provided below:

**Figure 4a-10
City and State Revenue Polices: Utility Taxes**

Revenue Stream	Source: RCW; Financial Policy; Ordinance; Guiding Practice	Calculation of where each tax is split to																														
Utility Taxes	RCW 35.21.870: established Utility Tax authority for cities.	100% General Fund.																														
	<table border="1"> <thead> <tr> <th>Type</th> <th>Current Rate</th> <th>Max. Rate</th> </tr> </thead> <tbody> <tr> <td>Electric</td> <td>5%</td> <td>6%</td> </tr> <tr> <td>Gas</td> <td>5%</td> <td>6%</td> </tr> <tr> <td>Telephone</td> <td>6%</td> <td>6%</td> </tr> <tr> <td>Cellular</td> <td>6%</td> <td>6%</td> </tr> <tr> <td>Water</td> <td>10.4%</td> <td>No Max.</td> </tr> <tr> <td>Sewer</td> <td>5%</td> <td>No Max.</td> </tr> <tr> <td>Storm</td> <td>5%</td> <td>No Max.</td> </tr> <tr> <td>Garbage</td> <td>4.5%</td> <td>No Max.</td> </tr> <tr> <td>Cable Franchise Fee</td> <td>4.8%</td> <td>5%</td> </tr> </tbody> </table>		Type	Current Rate	Max. Rate	Electric	5%	6%	Gas	5%	6%	Telephone	6%	6%	Cellular	6%	6%	Water	10.4%	No Max.	Sewer	5%	No Max.	Storm	5%	No Max.	Garbage	4.5%	No Max.	Cable Franchise Fee	4.8%	5%
	Type		Current Rate	Max. Rate																												
	Electric		5%	6%																												
	Gas		5%	6%																												
	Telephone		6%	6%																												
	Cellular		6%	6%																												
	Water		10.4%	No Max.																												
	Sewer		5%	No Max.																												
	Storm		5%	No Max.																												
	Garbage		4.5%	No Max.																												
Cable Franchise Fee	4.8%	5%																														

Electric Utility Tax (RCW 35.21.870³)

Maximum Rate:	6.0 percent
Current Rate:	5.0 percent
2021 Estimate:	\$7,485,361
2022 Estimate:	\$7,636,581

³ RCW 35.21.870 Electricity, telephone, natural gas, or steam energy business—Tax limited to six percent. Cities may impose a higher rate with voter approval (majority vote).



Resource Summary

A majority of the voters may approve a rate in excess of 6 percent. Each 0.1 percent of the electric utility tax rate generates roughly \$150,000 in 2021 and \$153,000 in 2022 of Electric Utility Tax revenue.

Gas Utility Tax (RCW 35.21.870)

Maximum Rate:	6.0 percent
Current Rate:	5.0 percent
2021 Estimate:	\$2,286,093
2022 Estimate:	\$2,332,277

Each 0.1 percent of the Gas Utility Tax rate generates approximately \$46,000 in 2021 and \$45,000 in 2021 of Gas Utility Tax revenue.

Water Utility Tax

Maximum Rate:	None
Current Rate:	10.4 percent*
General Fund	5.0 percent
Water Utility Fund	5.4 percent

* Due to an interfund accounting adjustment in how fire capacity charges were handled within the Utilities Funds and General Fund.

2021 Estimate:	
General Fund	\$3,120,316
Water Utility Fund	<u>3,369,941</u>
Total Estimated 2021 Water Utility Tax	\$6,490,257
2022 Estimate:	
General Fund	\$3,262,149
Water Utility Fund	<u>3,523,120</u>
Total Estimated 2022 Water Utility Tax	\$6,785,269

Each 0.1 percent of the Water Utility tax rate generates approximately \$62,000 in 2021 and \$65,000 in 2022 of Water Utility tax revenue.



Resource Summary

Sewer Utility Tax

Maximum Rate:	None
Current Rate:	5.0 percent
2021 Estimate:	\$3,248,505
2022 Estimate:	\$3,429,007

Each 0.1 percent of the Sewer Utility tax rate generates approximately \$65,000 in 2021 and \$69,000 in 2022 of Sewer Utility tax revenue.

Storm Drainage Utility Tax

Maximum Rate:	None
Current Rate:	5.0 percent
2021 Estimate:	\$1,325,288
2022 Estimate:	\$1,382,851

Each 0.1 percent of the Storm Drainage Utility Tax rate generates approximately \$27,000 in 2021 and \$28,000 in 2022 of Storm Drainage Utility Tax revenue.

Garbage Tax

Maximum Rate:	None
Current Rate:	4.5 percent
2021 Estimate:	\$1,498,375
2022 Estimate:	\$1,549,834

Each 0.1 percent of the Garbage Tax rate generates approximately \$33,000 each in 2021 and \$34,000 in 2022 of Garbage Tax revenue.



Resource Summary

Telephone Utility Tax (*RCW 35.21.870*)

Maximum Rate:	6.0 percent
Current Rate:	6.0 percent
2021 Estimate:	
Telephone Utilities	\$1,907,188
Cellular Telephone Utilities	<u>1,315,649</u>
Total 2021 Estimated Telephone Utility Tax	\$3,222,837
2022 Estimate:	
Telephone Utilities	\$1,672,337
Cellular Telephone Utilities	<u>1,222,623</u>
Total 2022 Estimated Telephone Utility Tax	\$2,894,960

Television Cable Franchise Fee (*Cable Communications Policy Act of 1984*)

Maximum Rate:	5.0 percent
Current Rate:	4.8 percent
2021 Estimate:	\$1,698,582
2022 Estimate:	\$1,715,739

Television Cable Franchise Fees are levied on cable television companies operating in the city. Each 0.1 percent of the television cable fee generates approximately \$35,000 in 2021 and \$36,000 in 2022 of television cable franchise revenue. In previous budgets before 2015, the cable franchise fees were included in a Franchise Fund, but there is no longer a need to deposit those funds into a separate fund and are included in the General Fund for the last two bienniums.

Resource Summary

Utility Tax Watch Areas

The biggest tax revenue-generating utilities are Electric, Cell Phone and Water. Electric Tax collections have been virtually flat in the past five years despite the improving economy and the slight annual increase in electric rates. Cell Phone Utility Tax has been declining at 9 percent to 15 percent from 2012 to 2016, and the declining trend is expected to continue in 2021 and 2022. Cell Phone Utility Tax is expected to decline further in the out years due to the changing billing structure that reduces the taxable voice component and increases the untaxable data component of the bill. The Water Utility Tax increased 5 percent in 2017 and is expected to grow with the water rates increases. Except for City-owned utilities, tax collections from utility taxes have been particularly weak in the last few years. Prior to the Great Recession, electric and natural gas had been increasing consistently above inflation. When all utilities are accounted for, the total Utility Tax revenue is expected to stay almost flat in 2021 and 2022 with 1% under collection projected in 2021.

Legislation: State and Federal legislation can affect tax revenues as services/products may be determined taxable or not taxable⁴. Often the timing of new legislation does not coincide with budget development and impacts are difficult to estimate. The Forecast attempts to incorporate the projected impact of new legislation when materiality warrants an adjustment.

Other Factors: Utility Tax revenues can be affected by uncontrollable variables, such as the economy, weather, market saturation, or new technology. While the Forecast incorporates market trends and historical experience into projections, the impact of these variables is not always predictable.

⁴ RCW 35A.82.020 (code cities); RCW 35.22.195 (first class cities)

Resource Summary

6. Select Other Taxes & Fees Information

Accommodations (Hotel/Motel) Tax *(RCW 67.28.180 RCW 67.28.18F)*

Accommodations Taxes are committed to the Bellevue Convention Center Authority (BCCA), a public development authority created by the City Council on December 4, 1989.

Maximum Rate:	5.0 percent ⁶
Current Rate:	5.0 percent
2021 Estimate:	\$4,628,000
2022 Estimate:	\$6,948,000

Accommodations Tax proceeds are used first to pay Convention Center related debt. Collections in excess of debt requirements are transferred to the BCCA to support operations. The accommodations tax may be used only for tourism facilities and tourism promotion purposes. The tax collections are forecasted to decline in 2021 and 2022 due to the COVID-19 impact and virus containment efforts.

Motor Vehicle Fuel Tax *(RCW 82.36.025, RCW 82.38.030)*

2021 Estimate:	\$3,139,278
2022 Estimate:	\$3,264,848

Motor Vehicle Fuel Tax is levied on each gallon of motor vehicle fuel sold and distributed to cities and counties. City distribution is on a per-capita basis.

⁵Most cities may impose a “basic” two percent tax under RCW 67.28.180 on all charges for furnishing lodging at hotels, motels, and similar establishments (including bed and breakfasts and RV parks) for a continuous period of less than one month. In addition, most cities may levy an additional tax of up to two percent, for a total rate of four percent, under RCW 67.28.181(1). Cities that had authority to levy a “special” tax before July 27, 1997 that allowed a total rate higher than four percent, had that rate grandfathered in by the 1997 legislation.¹⁰⁹ All the cities in Grays Harbor and Pierce counties are in this category, plus Chelan, Leavenworth, Long Beach, Bellevue, Yakima, and Winthrop.

⁶Cities that had authority to levy a “special” tax before July 27, 1997 that allowed a total rate higher than four percent, had that rate grandfathered in by the 1997 legislation.¹⁰⁹ All the cities in Grays Harbor and Pierce counties are in this category, plus Chelan, Leavenworth, Long Beach, Bellevue, Yakima, and Winthrop.

Resource Summary

**Figure 4a-11
City and State Revenue Policies: Motor Vehicle Fuel Tax**

Revenue Stream	Source: RCW; Financial Policy; Ordinance; Guiding Practice	Calculation of where each tax is split to
Motor Vehicle Fuel Tax	<p>RCW 82.38.030 – Rates: 46.68.090 – City Dist.</p> <p>Ordinance 4179 dated October 15, 1990 - creation of 1990 Gas Tax Fund, directing 100% of this increase to CIP</p> <p>Ordinance 4907 dated September 3, 1996, directs the unrestricted motor vehicle fuel tax to General Fund and the restricted motor vehicle fuel tax and the amount authorized by the 1990 state legislature (Gas Tax) to the CIP.</p>	<p>Amount from the 1990 state legislature increase to the CIP</p> <p>Total revenue split of 50% CIP, 50% GF</p>

Admissions Tax (RCW 35.21.280)

Maximum Rate:	5.0 percent
Current Rate:	3.0 percent
2021 Estimate:	\$250,000
2022 Estimate:	\$487,553

Admissions Taxes are levied on persons who pay an admission charge for entrance to an event or establishment. It is collected for the city by the business charging the admission for entrance to theaters, amusement parks, and swimming pools, among others. The tax collections are forecasted to decline in 2021 and 2022 due to the COVID-19 impact and virus containment efforts.

Leasehold Excise Tax (RCW 82.29A.030, RCW 82.29A.040)

Maximum Rate:	4.0 percent
Current Rate:	4.0 percent
2021 Estimate:	\$134,696
2022 Estimate:	\$137,568

Most leases of publicly-owned real and personal property in the state are subject to a leasehold excise tax in lieu of a property tax. The 1976 legislature established a 12 percent tax to be levied either on the contract rent (when the lease is established by competitive bidding) or, in other instances, by the imputed

Resource Summary

economic rent as determined by the Department of Revenue. The 1982 legislature added a seven percent surcharge making the total rate 12.84 percent. Cities and counties may collectively levy up to six percent of this 12.84 percent. The maximum county rate is six percent and the maximum city rate is four percent. The county must give a credit for any city tax. Therefore, if a city is levying its maximum four percent, the county may collect only two percent in the city. These taxes are collected by the city and remitted to the Department of Revenue. After deducting an administrative fee, the department distributes the taxes to local governments on a bimonthly basis.

Gambling Tax - Amusement & Games (RCW 9.46.110)

Maximum Rate:	2 percent - 5 percent ⁷
Current Rate:	2 percent - 5 percent
2021 Estimate:	\$10,721
2022 Estimate:	\$10,950

Gambling Tax on amusement games, bingo, and raffle activities. State law provides that the city must first use these proceeds to pay for enforcement activities. The tax collections are forecasted to decline in 2021 and 2022 due to the COVID-19 impact and virus containment efforts.

Gambling Tax – Punchboards & Pull Tabs (RCW 9.46.110)

Maximum Rate:	5.0 percent
Current Rate:	5.0 percent

⁷ Currently, the maximum tax rates are as follows:

- Amusement games: 2 percent of gross receipts less prizes (net receipts);
- Amusement games by charitable or nonprofit organizations that have no paid operating or management personnel: no tax on first \$5,000 of net receipts (including that from any bingo games), then 2 percent of net receipts;
- Bingo and raffles: 5 percent of net receipts;
- Raffles by charitable or nonprofit organizations: no tax on first \$10,000 of net receipts, then 5 percent of net receipts;
- Bingo by charitable or nonprofit organizations that have no paid operating or management personnel: no tax on first \$5,000 of net receipts (including that from any amusement games), then 5 percent of net receipts;
- Punch boards and pull-tabs by charitable or nonprofit organizations, 10 percent of net receipts;
- Punch boards and pull-tabs by commercial stimulant operators, 5 percent of gross receipts or 10 percent of net receipts;
- Social card games: 20 percent of gross receipts.



Resource Summary

2021 Estimate: \$109,734

2022 Estimate: \$112,073

Gambling Tax on punch board and pull-tab activities. These are reserved to provide youth facilities to the extent that funds from this tax are not first required to enforce gambling laws as required by State law. The tax collections are forecasted to decline in 2021 and 2022 due to the COVID-19 impact and virus containment efforts.

Fire Inspection Fee

2021 Estimate: \$900,000

2022 Estimate: \$900,000

The 2021-2022 budget adopts a fire inspection fee to recover the cost of providing fire inspections consistent with cost recovery objectives in similar code inspections.



Resource Summary

7. State Shared Revenues

State funding, sometimes referred to as State-Shared Funds, consists of distribution from state taxes such as the liquor excise tax, liquor board profits, motor vehicle fuel tax, and marijuana excise tax. These revenues have been affected by state budget changes in the past and could be affected in future state budgets.

Liquor Excise Tax

A portion of the basic spirits sales tax on sales to consumers and restaurants are shared with eligible counties, cities and/or towns. "Spirits" are any beverage which contain alcohol obtained by distillation, except flavored malt beverages, but including wines exceeding 24 percent of alcohol by volume. Based on the budget suggestions published by the Municipal Research and Services Center (MRSC), the per capita rate for city distributions in 2020 is estimated to be \$5.89, multiplied by the city's 2019 population of 145,300 estimated by the Office of Financial Management (OFM), or \$855,817 in 2020. The city is projecting to receive \$838,040 in 2021 and \$871,562 in 2022.

Liquor Board Profits

Initiative 1183 not only privatized liquor sales in Washington, but it also changed the types of liquor revenues collected by the state. The state is now collecting revenue in the form of license fees from distributors and retailers, rather than profits from the state-run liquor stores.

A portion of these liquor profits goes to cities, counties, and border jurisdictions. Based on the budget suggestions published by MRSC, the per capita rate for city distributions in 2020 is estimated to be \$8.03, multiplied by the city's 2019 population, or \$ 1,16 million in 2020. The city is projecting to receive \$1.13 million in 2021 and \$1.18 million in 2022.

Motor Vehicle Fuel Tax (MVFT)

Washington State shares fuel tax with local jurisdictions on a per capita basis. Fuel taxes in Washington are assessed as cents per gallon. Fuel tax revenue depends on the number of gallons sold, not the dollar value of the sales. Counties, cities, and towns receive a share of the multi-modal funds and the increase in fuel tax because of Second Engrossed Substitute Senate Bill 5987. The legislation provided for direct distributions to be phased in over the 2015-17 and 2017-19 biennium. The result is a combined annual distribution to counties, cities, and towns, starting with the state fiscal year 2019. These direct transfers are split equally between cities and counties, with the distribution to cities based on population. Based on the budget suggestions published by MRSC, the per capita rate for city distributions in 2020 is estimated to be \$20.02, multiplied by the city's 2019 population, or \$2.9 million in 2020. The MVFT revenue is split equally between the General Fund and CIP (\$1.5 million). The city is projecting to receive \$3.1 million in 2021 and \$3.3 million in 2022. Due to the impact of COVID-19 on statewide transportation revenues, a continued decline in gross fuel tax is anticipated and will require close monitoring, with the potential of revising projections in the middle of the budget year depending upon the evolution of the COVID-19 pandemic and other factors.

Marijuana Excise Tax

The state distributes a portion of the marijuana excise taxes to the Liquor and Cannabis Board (LCB) and various state agencies and programs quarterly. Marijuana-related tax revenues are being shared with local jurisdictions for public safety purposes. Only those cities in counties that have legalized marijuana sales will receive excise tax distributions based on both their jurisdiction's proportion of marijuana-related sales as well as a per capita basis. The state distributes 30 percent of the total marijuana excise tax to cities and counties with a cap at \$15 million in 2020; 70 percent of the distribution will be on a per capita basis with 60 percent going to counties, and the remaining 30 percent will be based on the proportional share of the total marijuana revenues generated. Based on the budget suggestions published by MRSC, the per capita rate for city distributions in 2020 is estimated to be \$1.14, plus another 30 percent based on the marijuana sales in Bellevue. The city is projecting to receive around \$ 236,631 in 2020, \$242,010 in 2021 and \$251,690 in 2022.



Resource Summary

C. Tax Rate Information

Figure 4a-12 (A)

Comparison of 2020 Urban Tax Rates Rates in Effect for Property as of January 2020

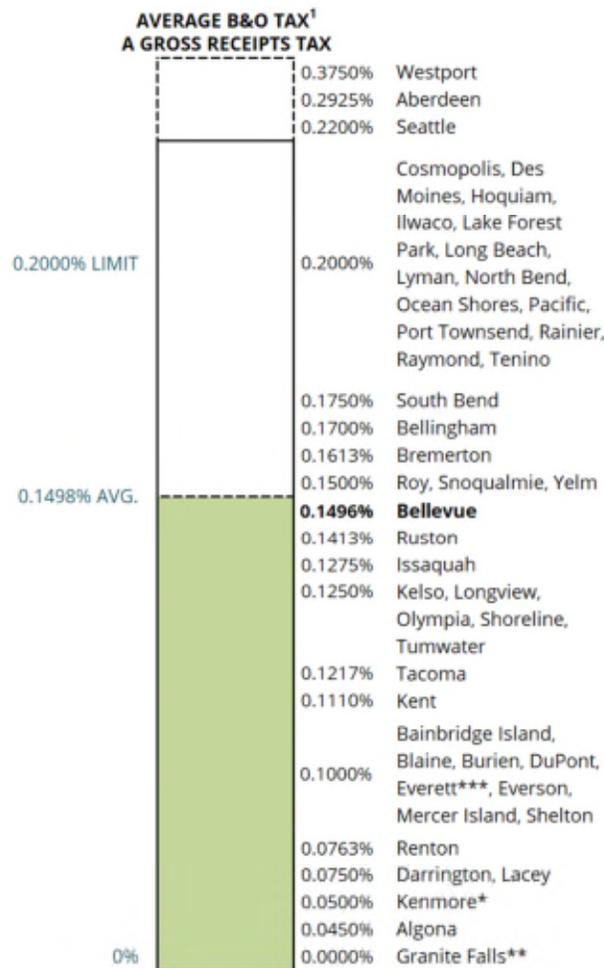
This figure provides a comparison of City of Bellevue tax rates to the tax rates of the other Washington cities with over 20,000 population effective January 2020. Comparisons in the figure below show that Bellevue's property tax rate is well below the average for these Washington cities. In 2020, the City of Bellevue's total property tax levy rate is \$0.90 as shown below.

Resource Summary

Figure 4a-12 (B)
Comparison of 2020 Urban Tax Rates
Rates in Effect for B&O Tax as of January 2020

Comparisons in the figure below show that Bellevue's B&O Tax is well below the average of Washington cities for rates effective January 2020. Bellevue's B&O Tax rates remain the same for 2020, individual rates can be found in Figure 8a-2, Summary of Locally Levied Taxes, B&O Tax.

Comparison of 2020 B&O Tax Rates
 Effective January 1, 2020



¹ Unweighted average B&O tax on service, retail, wholesale, manufacturing and services activities for those cities which impose a gross receipts business tax.

*Kenmore's B&O tax applies to heavy manufacturing only.

**Granite Falls repealed its B&O tax for all businesses other than extracting.

***For manufacturing gross receipts over \$8 billion, the B&O rate drops to 0.00025.

NOTE: Rates exceeding the 0.20% limit reflect voter approved increases above the statutory limit or grandfathered rates prior to 1982 limit.

Resource Summary

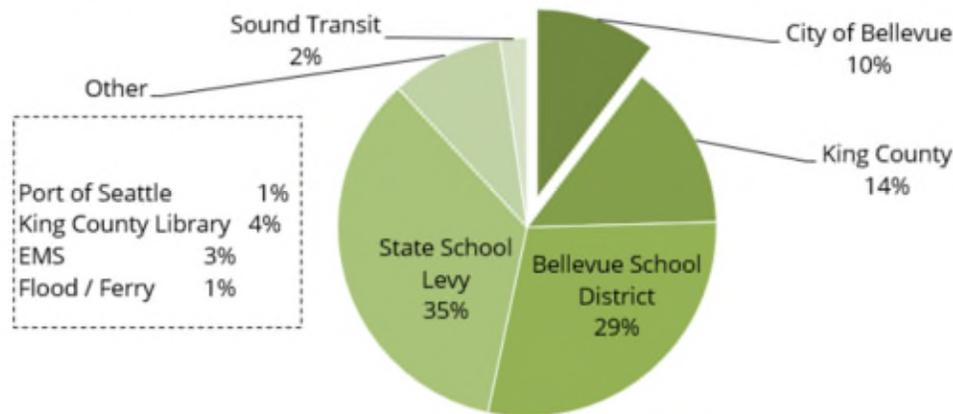
Figure 4a-14

Property Taxes

Typical Distribution of Property Tax Dollars

This figure illustrates the Property Tax distribution for a typical Bellevue taxpayer in 2020. As shown in the pie chart, Bellevue's Property Tax Levies make up only 10 percent of a property owner's tax bill. The largest components are the State School Levy and the Bellevue School District Levy which together comprise 64 percent of the typical taxpayer's property tax obligation.

Official property tax records are maintained by the King County Assessor's Office.



The following table displays the 2020 property tax bills for hypothetical low-, medium-, and high-assessed value (AV) homes.

	2020 Rate/\$1,000 of AV	Low AV = \$500,000	Medium AV = \$936,000	High AV = \$1,500,000
Emergency Medical Services	\$0.27	\$133	\$248	\$398
Port of Seattle	0.12	60	111	176
Flood / Ferry Levy	0.09	46	85	135
King County Library	0.36	180	335	538
City of Bellevue	0.90	450	843	1,352
King County	1.24	620	1,161	1,860
Bellevue School District	2.50	1,252	2,344	3,758
State School Levy	3.03	1,514	2,835	4,544
Sound Transit	0.20	100	188	301
Total	\$8.71	\$4,353	\$8,150	\$13,061

Note: Columns/graph may not foot due to rounding

Resource Summary

**Figure 8a-14
Property Valuation & Tax Levy Information
2000 through 2020**

This figure displays historical property tax information for comparison purposes. Official property tax records are maintained by the King County Assessor's Office. Property owners are taxed on 100 percent of the Assessed Value of their property.

Year	Regular Assessed Valuation (\$ in Billions)	% Change from Prior Year	Regular Property Tax Levy (\$ in Thousands)	% Change from Prior Year	Tax Rate Per \$1000 Assessed Valuation		
					Voted Levy	Regular Levy	Total Property Tax Rate
2000	14,981	9.7%	22,497	3.7%	0.21	1.50	1.71
2001	17,605	17.5%	23,489	4.4%	0.14	1.34	1.48
2002	19,705	11.9%	24,859	5.8%	0.13	1.26	1.39
2003	20,696	5.0%	25,214	1.4%	0.13	1.22	1.35
2004	21,212	2.5%	25,572	1.4%	0.13	1.21	1.34
2005	22,214	4.7%	25,814	0.9%	0.07	1.16	1.23
2006	23,957	7.8%	26,264	1.7%	0.06	1.10	1.16
2007	26,612	11.1%	27,638	5.2%	0.05	1.04	1.09
2008	31,396	18.0%	28,904	4.6%	0.00	0.92	0.92
2009	37,627	19.8%	31,201	7.9%	0.11	0.83	0.94
2010	34,103	-9.4%	32,011	2.6%	0.12	0.94	1.06
2011	32,079	-5.9%	32,583	1.8%	0.13	1.02	1.14
2012	30,977	-3.4%	32,952	1.1%	0.13	1.06	1.19
2013	32,673	5.5%	34,359	4.3%	0.12	1.05	1.18
2014	36,046	10.3%	34,679	0.9%	0.11	0.96	1.07
2015	41,442	15.0%	36,486	5.2%	0.10	0.88	0.98
2016	44,546	7.5%	37,517	2.8%	0.09	0.84	0.94
2017	49,365	10.8%	38,711	3.2%	0.36	0.78	1.14
2018	56,347	14.1%	39,856	3.0%	0.32	0.71	1.03
2019	64,986	15.3%	41,109	3.1%	0.28	0.63	0.91
2020	68,117	4.8%	42,450	3.3%	0.28	0.62	0.90
2021*	71,059	4.3%	43,716	3.0%	0.27	0.62	0.89
2022	74,206	5.1%	45,111	3.2%	0.26	0.61	0.87



Resource Summary

Notes:

- Prior year AV is used to calculate current year property tax rates. i.e. 2020 AV is used to calculate 2021 rates.
- 2008 Regular Property Tax Levy reflects retirement of 2003 Unlimited Tax General Obligation bonds
- 2009 Regular Property Tax Levy does not include the Parks & Natural Areas Voted Levy
- Figures may not foot due to rounding
- * 2021 AV and levy data are based on King County's final AV report