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**Timely Tax Tip for the  
Real Estate,  
Land Use and  
Construction Industry**

**Prompt Action Saves Property Taxes on New  
Construction in Washington**

Property taxes are not a fixed cost of doing business. In Washington, prompt action can save property taxes on projects now under construction. The bigger the project, the bigger the potential savings.

In general, there are a number of ways in which commercial and industrial buildings can be improperly valued for property tax purposes. This publication alerts owners to the likelihood that assessors in the state of Washington are not accurately valuing construction in progress. To get the right assessment, some owners will need to act as soon as July 1, 2005.

In Washington, partially completed new construction should be assessed based on its value as of July 31. However, assessors in the more populous counties simply estimate values based upon erroneous assumptions that tend to result in excessive assessments. These estimates are often made--and valuation notices mailed--months before the July 31 valuation date.

If the property taxes are properly managed, overpayments can easily be avoided. When the 2005 valuation notices have been issued, the assessment should be appealed immediately. In most cases, the deadline for filing an appeal is July 1. For late notices, the deadline is either 30 or 60 days from the date of the notice. The appeal can normally be resolved informally with the assessor's office, if the owner presents the proper documentation. In the case of construction in progress, the sooner the assessor receives the documentation, the more likely the correction can be made quickly and easily.

It may also be possible to obtain refunds of 2005 tax overpayments on last year's assessments for new construction valued as of July 31, 2004.

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