



## Historical Exemptions

### Q: What is the historical exemption?

A: The exemption is for improvements made to historic properties that are currently listed on the local and/or national register of historic places. The historic exemption places a special valuation on the assessed value of the historic property, as approved by the local review board, for up to 10 years. For more information on the exemption you can contact our office at (509) 667-6375 or the City of Wenatchee at (509) 888-3200. You can also visit the City's Historic Preservation Website at <https://www.wenatcheewa.gov/government/community-and-economic-development/historic-preservation>.

### Q: How does it work?

A: The property must first meet the requirements to be considered for special valuation as a historic property. The requirements include: be a historic property, fall within a class of historic property determined eligible for special valuation by the local legislative authority, be rehabilitated at a cost which meets the requirements of the law within 24 months prior to the application for the special valuation and be protected by an agreement between the property owner and the local review board. Once approved by the local review board, the special valuation is applied to the property's fair market assessed value for the improvement (or structure) on which the rehabilitation has occurred. The special valuation is derived by subtracting the approved cost of the rehabilitation or improvement of the historic property from the fair market assessed value of the property and is applied for a period of up to 10 years. If the special valuation is greater than the amount of the fair market assessed value, then the remaining balance of the special valuation is subtracted from the fair market value of the land.

### Q: How do I apply?

A: Applications must be filed with the Chelan County Assessor by October 1<sup>st</sup> of the calendar year preceding the first assessment year for which the special valuation is requested. For example, if you apply by October 1, 2021 and are approved, the special valuation will be placed on your property for the 2022 assessment year. Taxes due and payable for 2023 will reflect the reduction. Once a completed application is received by our office, we will forward

## CHELAN COUNTY ASSESSOR

the application on to the local review board within 10 days of receipt. The local review board will approve or deny the application by December 31<sup>st</sup> of the application year and will notify our office of their decision.

**Q: What happens if I sell or transfer ownership of my property that has a historical exemption?**

A: If you sell or transfer ownership of your property you will need to contact both the Assessor's Office at (509) 667-6375 and the City of Wenatchee at (509) 888-3200 to discuss your options. The purchaser will be required to sign an agreement with the local review board and will need to sign Section 6 of the Real Estate Excise Tax Affidavit to continue the historic exemption for the property. This is one of the few reductions on property taxes that does not require the repayment of compensating taxes when the exemption is removed from the property.

**Q: What happens at the end of the ten-year assessment period?**

A: At the end of the ten-year period the exemption (deduction) amount will automatically be removed from the assessment rolls and the value of your property will reflect the current fair market value. You will receive a Notice of Value in the year following the end of the ten-year period with your new assessed value. At the end of the ten-year period a Notice of Removal will be recorded with the Chelan County Auditor's Office.

**Didn't find what you are looking for? Still have questions? Contact us at:**

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