

PROPERTY TAX INFORMATION

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. The King County Department of Assessments determines the assessment of real and personal properties and collects this revenue for the City. Official property tax records are maintained by the King County Assessor's Office.

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 value of state-assessed utility property and newly annexed property (referred to as “add-ons”). Bellevue has opted to not always take the 1 percent annual increase and instead preserved, or “banked,” that 1 percent to be accessed later through a Councilmanic vote.

The City currently has \$8.6 million of banked capacity available to Council with a majority vote of the Council or approximately 20 cents. Using banked capacity under current constraints requires a finding of “substantial need,” which has been interpreted to be an operations need. The last time Council raised property tax through banked capacity was in 2015. The 2015-2021 Adopted General CIP included a first step in making progress toward the most urgent unmet investments with a 2% Councilmanic property tax increase, allowing sales tax to be targeted to address critical and time sensitive infrastructure needs.

The next page includes a history of property tax rates and assessed value.

Attachment E: Information on Property Tax
June 6, 2016 Council Meeting

Historical Property Tax Rates in Bellevue

<u>Year</u>	Regular Levy Assessed Valuation <u>(\$ in millions)</u>	Regular Property Tax Levy <u>(\$ in thousands)</u>	Tax Rate per \$1,000 Assessed Valuation		
			<u>Voted Levy</u>	<u>Regular Levy</u>	<u>Total Property Tax Rate</u>
1990	6,610	14,556	0.53	2.20	2.73
1991	9,065	16,113	0.31	1.76	2.07
1992	9,238	17,143	0.29	1.85	2.14
1993	9,958	18,414	0.26	1.85	2.11
1994	10,249	20,422	0.20	1.99	2.19
1995	10,701	19,492	0.35	1.82	2.17
1996	10,876	19,861	0.35	1.83	2.18
1997	11,308	21,026	0.34	1.86	2.20
1998	12,115	21,246	0.32	1.75	2.07
1999	13,652	21,685	0.24	1.59	1.83
2000	14,981	22,497	0.21	1.50	1.71
2001	17,605	23,489	0.14	1.34	1.48
2002	19,705	24,859	0.13	1.26	1.39
2003	20,696	25,214	0.13	1.22	1.35
2004	21,212	25,572	0.13	1.21	1.34
2005	22,214	25,814	0.07	1.16	1.23
2006	23,957	26,264	0.06	1.10	1.16
2007	26,612	27,638	0.05	1.04	1.09
2008	31,396	28,904	0.00	0.92	0.92
2009	37,627	31,201	0.11	0.83	0.94
2010	34,103	32,011	0.12	0.94	1.06
2011	32,079	32,583	0.13	1.02	1.14
2012	30,977	32,952	0.13	1.06	1.19
2013	32,673	34,359	0.12	1.05	1.18
2014	36,150	34,679	0.11	0.96	1.07
2015	41,326	36,486	0.10	0.88	0.98
2016	44,426	37,517	0.09	0.85	0.94