

Understanding Property Taxes

Residents often inquire about how property taxes are established, imposed, and distributed. The City offers the following information to help Kirkland residents gain a better understanding about the property tax levy and property tax rate.

King County Determines a Property's Assessed Value

The King County Assessor is responsible for valuing all personal and real property in the county. The Assessor's goal is equalization of property values to ensure that the tax burden is distributed fairly and equitably among property owners.

Assessed valuation is composed of new construction and revaluation of existing properties. Most residential property is assessed each year at its full market value, which is defined as the amount a buyer, willing but not obligated to buy, would pay to a seller willing but not obligated to sell. For residential parcels, fair market value is determined by analyzing recent sales of comparable properties in the same area.

More information on how King County establishes assessed valuation can be found at www.kingcounty.gov/assessor.

Property Tax Levy vs Property Tax Rate

The property tax **levy** is the total amount of revenue each taxing jurisdiction collects from eligible properties each year. With the exception of voter approved additions, the total levy growth is capped at 1% plus the value of new construction. The property tax **rate** is determined by taking the total levy dollars and dividing it by the total property value in a jurisdiction, resulting in a rate per \$1,000 of assessed valuation. The rate is then applied to every \$1,000 of each property's value, which determines the property taxes due.

For example in 2018 the total assessed valuation in the City of Kirkland is \$25,233,434,063 and the total regular levy available to the City was \$29,195,989. The equation below shows how the rate for each property owner was calculated.

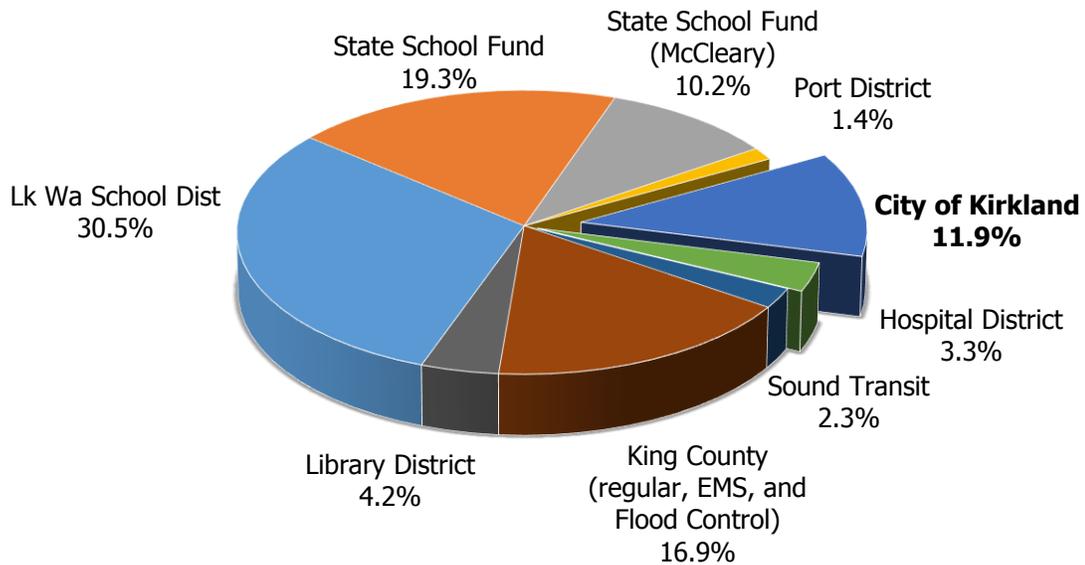
$$\frac{\$29,195,989}{\$25,233,434,063} = \$1.15704 \text{ per } \$1,000 \text{ of assessed valuation}$$

This number represents the total regular levy paid by all property owners in Kirkland. In addition, some taxpayers pay additional, smaller, levies for Fire District 41 or voter approved bonds.

Where Does My Property Tax Go?

Property owners in Kirkland pay property taxes to a variety of jurisdictions. In 2018, the majority of property tax paid by a Kirkland resident goes to either the State School Fund (29.5%) or Lake Washington School District (30.5%). The various jurisdictions are shown in the chart below

CITY OF KIRKLAND 2018 PROPERTY TAX DISTRIBUTION



Median Tax Burden

The most recent data available from the King County Assessor's Office lists the median value of a residence in Kirkland as \$516,000. This was the median value from the 2016 survey, which established the 2017 tax rate.

With a median value of \$516,000 a property owner in Kirkland will pay \$5,110 in 2018 property taxes, using the calculation below.

$$\frac{\$516,000}{1,000} \times 9.90313 = \$5,110$$

This is spread among the various taxing districts as follows.

Taxing District	Levy Rate/\$1,000 AV	2018 Amount
Lk Wa School Dist	3.03059	1,564
State School Fund	1.90859	985
State School Fund (McCleary)	1.00961	521
King County (Regular, EMS, Flood Control)	1.67383	864
City of Kirkland Regular Levy	1.15704	597
City of Kirkland Special Levies*	0.02306	12
Library District	0.41190	213
Hospital District	0.32588	168
Sound Transit	0.22745	117
Port District	0.13518	70
Total	9.90313	5,110

*Representative rate for voter approved debt service levies for the former FD 41 and the City of Kirkland's debt service. This rate applies to properties in certain areas of the City