

What you should know about real estate excise tax calculations

EXCISE TAX CHANGES ARE IN EFFECT

Per the Washington State Legislature, the Department of Revenue is required to adjust the selling price thresholds for real estate excise tax every fourth year. Effective January 1, 2023, Washington's real estate excise taxes tier system changed, increasing each sales price tier by \$25,000:

NEW REAL ESTATE EXCISE TAX RATES*

*Municipality tax of .5% included below.
Rates effective January 1, 2023*


REET %	SALES PRICE
1.6%	up to and including \$525,000
1.78%	between \$525,001 - \$1,525,000
3.25%	between \$1,525,001 - \$3,025,000
3.5%	\$3,025,001 and above

**Municipalities of Darrington, Eatonville, Skykomish and Wilkeson have a lower tax rate of .25 percent.*

CW TITLE AND ESCROW IS READY FOR YOU AND YOUR CLIENTS

The CW Fee Estimator and all other CW systems were updated January 1, 2023 with the latest data to ensure calculations are made using the most up-to-date information. To get a quote with the CW Fee Estimator, go to cwtitle.com/fee or click [Tools > Fee Estimator](#) at the top of our homepage.

EXAMPLES OF WHAT THE SELLER MAY PAY

Sales price:	\$750,000	\$1.3 million	\$2 million	\$3.1 million
REET (Real estate excise tax) % (effective 1/1/2023) 	1.6% For the first \$525,000 = \$8,400	1.6% For the first \$525,000 = \$8,400	1.6% For the first \$525,000 = \$8,400	1.6% For the first \$525,000 = \$8,400
	1.78% between \$525,001 - \$750,000 = \$4,005	1.78% between \$525,001 - \$1,300,000 = \$13,795	1.78% between \$525,001 - \$1,525,000 = \$17,800	1.78% between \$525,001 - \$1,525,000 = \$17,800
	--	--	3.25% between \$1,525,001 - \$2,000,000 = \$15,438	3.25% between \$1,525,001 - \$3,025,000 = \$48,750
	--	--	--	3.5% between \$3,025,001 - \$3,100,000 = \$2,625
Tax in effect beginning 1/1/23	\$12,405	\$22,195	\$41,638	\$77,575
Tax in 2022	\$12,450	\$22,240	\$42,050	\$78,050
Tax in 2019 (1.78%)	\$13,350	\$23,140	\$35,600	\$55,180
Compare	Seller pays \$945 less than in 2019	Seller pays \$945 less than in 2019	Seller pays \$6,038 more than in 2019	Seller pays \$22,395 more than in 2019

**All calculations above have been rounded to the nearest dollar.*