

## **Fire Benefit Charge (FBC) FAQs**

### **1. What is a Fire Benefit Charge?**

Washington statute RCW 52.18 provides that fire districts, with the approval of the voters in their district, are authorized to collect a benefit charge from residential and business property owners. Once the voters authorize the benefit charge, the normal tax collection authority provided in RCW 52.16, drops from \$1.50 per thousand to \$1.00 per thousand of assessed value.

It is called a Fire Benefit Charge because it refers to the benefit of having fire protection. This is not a per call charge and it is not based on assessed value of property. It is a fee that will apply only to the structural improvements on properties according to the property use and size of structure. The FBC considers that those who benefit more from the fire protection service (e.g. large structures and high fire risk structures) should pay more for that service.

### **2. How will a FBC provide a better source of funding for the Fire District?**

The FBC is a stable and fair method to secure operating funds for your Fire District and it diversifies a funding system that relies solely on assessed property value.

### **3. Who establishes the FBC?**

OVFR's Board of Fire Commissioners are elected officials who represent you, and they hold a Public Hearing each year to set the FBC rate for the upcoming year.

By statute, FBC revenue may not exceed 60% of the operating budget.

### **4. How will a FBC help the average homeowner?**

It will provide stable funding, resulting in dependable fire service and a better fire insurance rating.

### **5. Does every property owner pay the FBC?**

The FBC is not a tax, so property tax-exempt entities, e.g. governments and charitable organizations, are not necessarily exempt from the FBC. However, certain exemptions do apply:

- Federally-owned properties.
- Religious organizations (churches, synagogues, and other places of worship) are exempt for buildings used for religious services and other purposes related to bona fide religious ministries. Separate properties used for non-worship related activities, e.g. food banks, clothing banks, homeless shelters, fitness centers, thrift stores, for-profit rental property are not exempt.
- Public K-12 schools are not specifically exempt, but they are not charged the FBC because we receive a per student stipend from the state to pay for fire service.
- Certain entities are exempt from the FBC because they are covered by a fire protection contract with OVFR.

### **6. Is the FBC voter approved funding?**

Yes, the FBC requires a re-authorization vote every six years.

### **7. How does the Fire District get information about my property?**

OVFR receives property information directly from Pierce County.

### **8. What makes up the FBC?**

The FBC has two components which establish the measurable benefits to property. The current benefit components are based on square footage of structural improvements and the property type, as identified in Pierce County tax records.

In a broad sense, these components identify the firefighting efforts necessary for a fire district to extinguish a fire in a specific structure and take into financial consideration the demands a particular structure could place upon a fire department.

**9. What is the formula for calculating the FBC?**

The formula takes into account the total square footage of the structure(s) on the property and the use of the structure(s). Certain discounts may also apply. It is derived from formulas developed by the National Fire Academy (NFA) and Insurance Services Office (ISO).

$$\sqrt{\text{square feet}} \times 18 \times [\text{use factor}] \times [\text{cost per gallon}] \times [\text{balancing factor}] \times [\text{sprinkler}] = \text{FBC}$$

- Square feet mean the total size of the structure(s) including garages, carports and outbuildings.
- 18 is a coefficient value based on empirical tests done by NFA and ISO.

“Use factors” vary by property classification such as residential or commercial. Use factors for the various types are:

Mobile Home	.20
Residential 1 – 120-3400 square feet	.82
Residential 2 – >3400 square feet	.97
Multi-Unit	.24
Sprinkler	.90
Cost Per Gallon	23.2027
Balancing Factor	0.0268735494
Commercial 1	.50
Commercial 2	0.70
Commercial 3	1.4
Commercial 4	3.00
Commercial 5	4.00
Commercial 6	5.00

Structures equipped with approved fire sprinklers are eligible for a discount of 10% on the FBC.

The FBC is not applied to properties with structures totaling 120 square feet or less.

**10. If I qualify for a senior/disables exemption on my taxes can my FBC be reduced as well?**

Yes, you would be eligible for the same discount rate you receive for regular property taxes. This information is obtained from, and maintained by Pierce County.

**11. How is the FBC collected?**

It is collected as part of, and along with, your regular property tax payment through Pierce County Assessor-Treasurer’s Office. It is noted on your tax statement in a separate category and usually identified as “Fire Benefit Charge”. **Do not send payment to your fire department.**

**12. Who uses the FBC locally?**

Central Pierce Fire & Rescue, Graham Fire, Valley Regional Fire Authority (Auburn), Puget Sound Regional Fire Authority (Kent), and many other departments throughout the state.

**13. What if I have concerns about my FBC?**

Once the FBC is set and property owners receive notification through their annual tax statement, an appeal process is available for any property owner that has concerns.

For additional information on how to review or appeal your FBC, call (360) 893-2221 or email [info@ovfr.org](mailto:info@ovfr.org).