

Fire Benefit Charge (FBC) FAQs 2024



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 fire benefit charge from residential and business property owners. Once the voters authorize the fire 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. There is no charge for undeveloped land. The FBC considers that those who benefit more from the fire protection services (e.g. large structures and high fire risk structures) should pay more for that service.

2. How will the 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?

Central Pierce Fire & Rescue's (CPFR) 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. The FBC for 2024 has been set at 32.8% of the operating budget.

4. How will the 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 Fire Benefit Charge 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 and limits do apply, which include but are not limited to:

- Federally-owned properties.
- Certain non-profit organization-owned properties based on their tax exemption under RCW.

- Religious organizations 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, etc., are not exempt.
- Schools owned by religious organizations are exempt for K-12 and higher education, but not for buildings used primarily for preschool and day care. Private (non-religious-affiliated) educational institutions are not exempt.
- Public K-12 schools are not specifically exempt, but they are not charged 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 CPFR.
- Limited exemption to Christmas tree growers as defined under RCW 52.18.010(4).
- Housing Authorities exemption as defined under RCW 35.82.210.
- Non-Profit entities providing rental housing for certain very low-income households or certain mobile homes that are exempt under RCW 84.36.560.

6. Is the FBC voter approved funding?

Yes, the FBC requires a re-authorization vote every six years. The current six-year period covers 2023 through 2028.

7. How does the fire district get information about my property?

CPFR receives property information directly from Pierce County.

8. What makes up the FBC?

The FBC has two components which establish the measurable benefits to properties. 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 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).

$$\sqrt{\text{squarefeet}} \times 18 \times [\text{use factor}] \times [\text{cost factor}] = \text{FBC}$$

- **“Square feet”** means total size of the structure(s) in square feet, including garages, carports and outbuildings.
- **18** is a coefficient value based on empirical tests by NFA and ISO.

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

Mobile home	.33
Residential (single-family residence, duplex, single-story triplex, single-story fourplex, townhouse, or condominium)	.44
Multi-story triplex or fourplex (based on average sq ft per unit)	.45
Apartment building (5 units or more, based on average sq ft per unit)	.45
Commercial (121 to 1,500 sq ft)	1.00
Commercial (1,501 to 3,000 sq ft)	1.55
Commercial (3,001 to 12,000 sq ft)	1.75
Commercial (12,001 to 40,000 sq ft)	2.00
Commercial (40,001 to 70,000 sq ft)	2.50
Commercial (70,001 to 100,000 sq ft)	3.50
Commercial (100,001 to 200,000 sq ft)	4.50
Commercial (200,001 to 300,000 sq ft)	5.00
Commercial (300,001 to 400,000 sq ft)	6.00
Commercial (more than 400,000 sq ft)	7.00

Structures equipped with approved fire sprinklers are eligible for a discount of 20% on the Fire Benefit Charge.

The Fire Benefit Charge is not applied to properties with structures totaling 120 square feet or less.

- 0.9400000000 is the **cost factor** we use to estimate the current cost of fire suppression in any given structure. This part of the formula is adjusted annually as needed and approved by your elected Board of Fire Commissioners.

10. If I qualify for a senior/disabled exemption on my taxes can my FBC be reduced too?

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 the 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. 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 (253) 538-6536 or email finance@centralpiercefir.org.