

# Oregon Property Tax System

2021 Orientation



# Property Tax by the numbers

**Property Value** →

Assessed Value  
\$440 Billion

Measure 5 Value  
\$716 Billion

Exempted Value  
RMV: \$174B  
AV: \$18B

**Taxes** →

Total Tax Imposed  
\$7.2 Billion

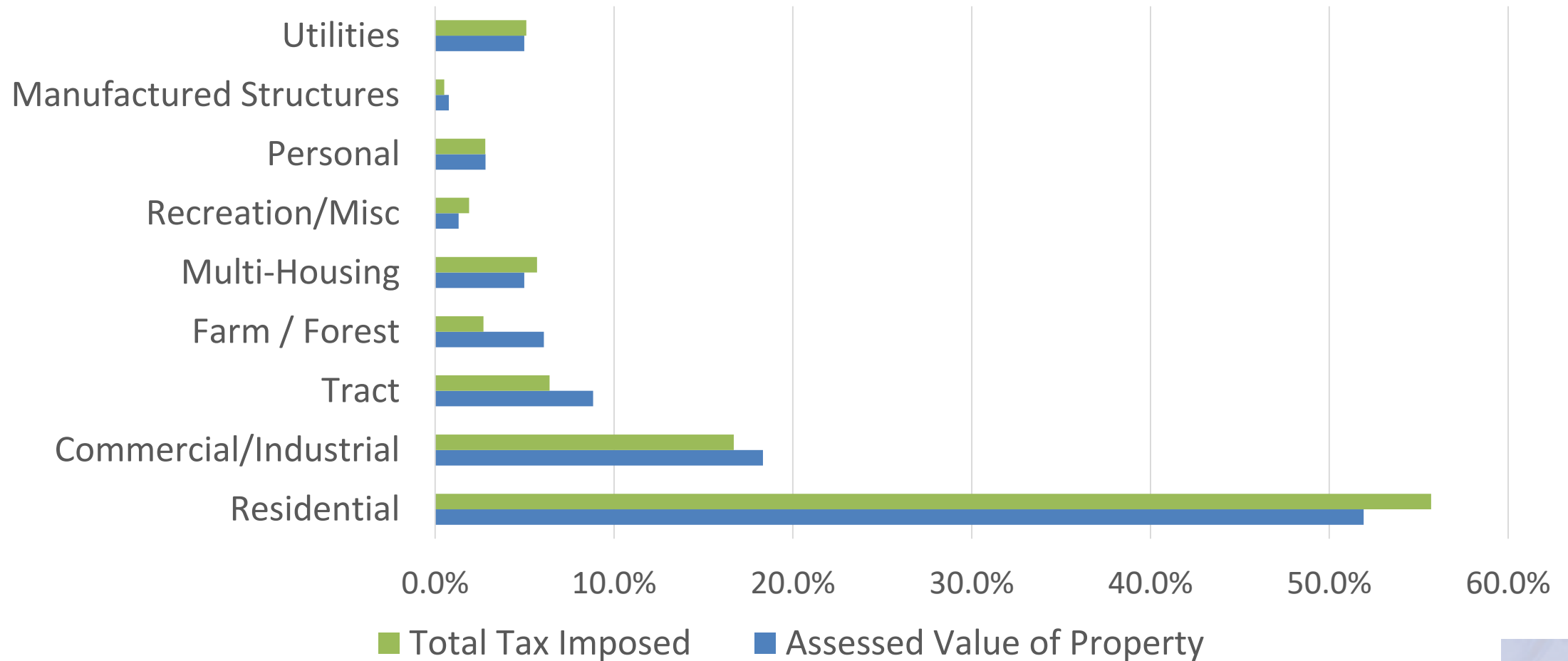
Statewide Compression  
2.1%

Urban Renewal Revenue  
\$306 million

Uncollected Tax  
1.8%



# Property AV and Tax Imposed by Class





# Levy vs. Rate

## Levy System

- The size of the pie can change from year to year
- Even if one property owners 'slice' stays the same, the overall tax burden for that individual increase
- Bonds still function this way

## Rate System

- Regardless of the budget needs of the district, if a property owner's value increases then the bill for that property increase if everything else remains the same
- Permanent rate sets a floor

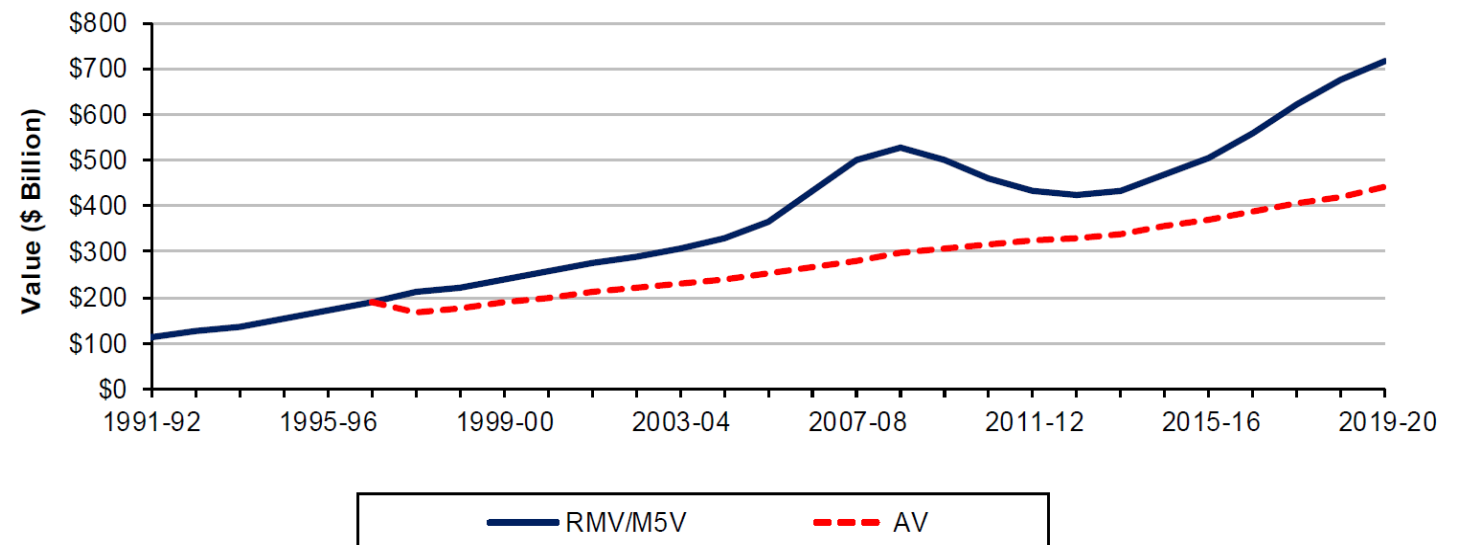




# Measure 5 and Measure 50

- Passed in 1990 and 1997, created Oregon's current property tax system
- 1990- M 5
  - \$5 & \$10 cap per \$1,000 RMV
  - Caps levy based system
- 1997 -M 50
  - Assessed value & growth rate
  - Created a permanent tax rate
  - CPR
  - Eliminates levy based system

Exhibit 7  
Assessed and Real Market Value<sup>15</sup> of Taxable Property in Oregon  
FY 1991-92 to 2019-20





# Key implications

- Almost all changes to property tax must go to voters
- The CPR is instrumental in how much money a local district can raise.





# Glossary

- M5V – Statutorily allowed assessed value
- Specially Assessed Value (SAV) – only applies to specially assessed properties
- Taxable assessed value - what we think of as assessed value after all exemptions
- Assessed Value (AV) – Value of property subject to taxation – minimum of MAV and RMV





# Glossary

- Real Market Value (RMV) – as defined in ORS 308.205 the amount in cash that could reasonably be expected to be paid by an informed buyer to an informed seller in a voluntary transaction
- Maximum Assessed Value – formulaic via M. 50
  - Existing 1997 -  $.90 \times 1995-96$  property value
  - New to roll –  $RMV \times CPR$
  - Both escalate at 3% per year
- MAV: = 103% of the property's assessed value for the prior year or 100 % of the property's MAV for the prior year, whichever is greater
- When is  $AV/RMV = 1$ ?

CPR is the countywide average of all MAV/RMV







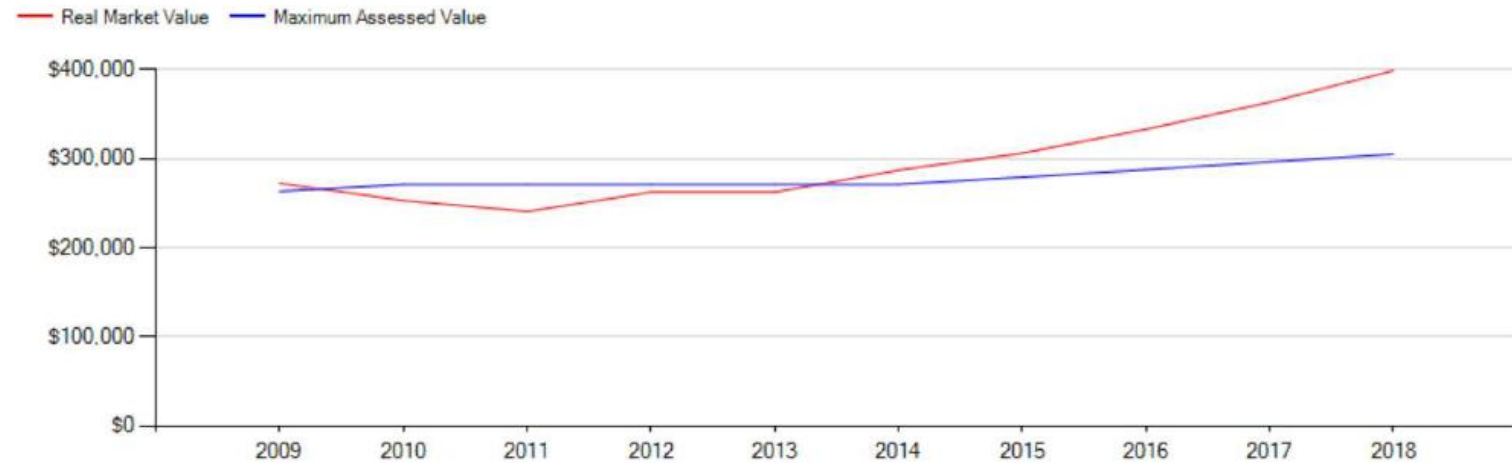
# An Example

## Value Information (per most recent certified tax roll)

RMV Land Market:	\$105,560 <a href="#">i</a>
RMV Land Spec. Assess.:	\$0 <a href="#">i</a>
RMV Structures:	\$293,350 <a href="#">i</a>
RMV Total:	\$398,910 <a href="#">i</a>
SAV:	\$0 <a href="#">i</a>
Exception RMV:	\$0 <a href="#">i</a>
Exemption RMV:	\$0 <a href="#">i</a>
M5 Taxable:	\$398,910 <a href="#">i</a>
MAV:	\$305,190 <a href="#">i</a>
MSAV:	\$0 <a href="#">i</a>
AV:	\$305,190 <a href="#">i</a>

Exemption Description: None

Graph shows tax roll Real Market Value and Maximum Assessed Value of this property for past 10 years.  
For a detailed explanation, please see definition of Assessed Value above (hover over the "i").





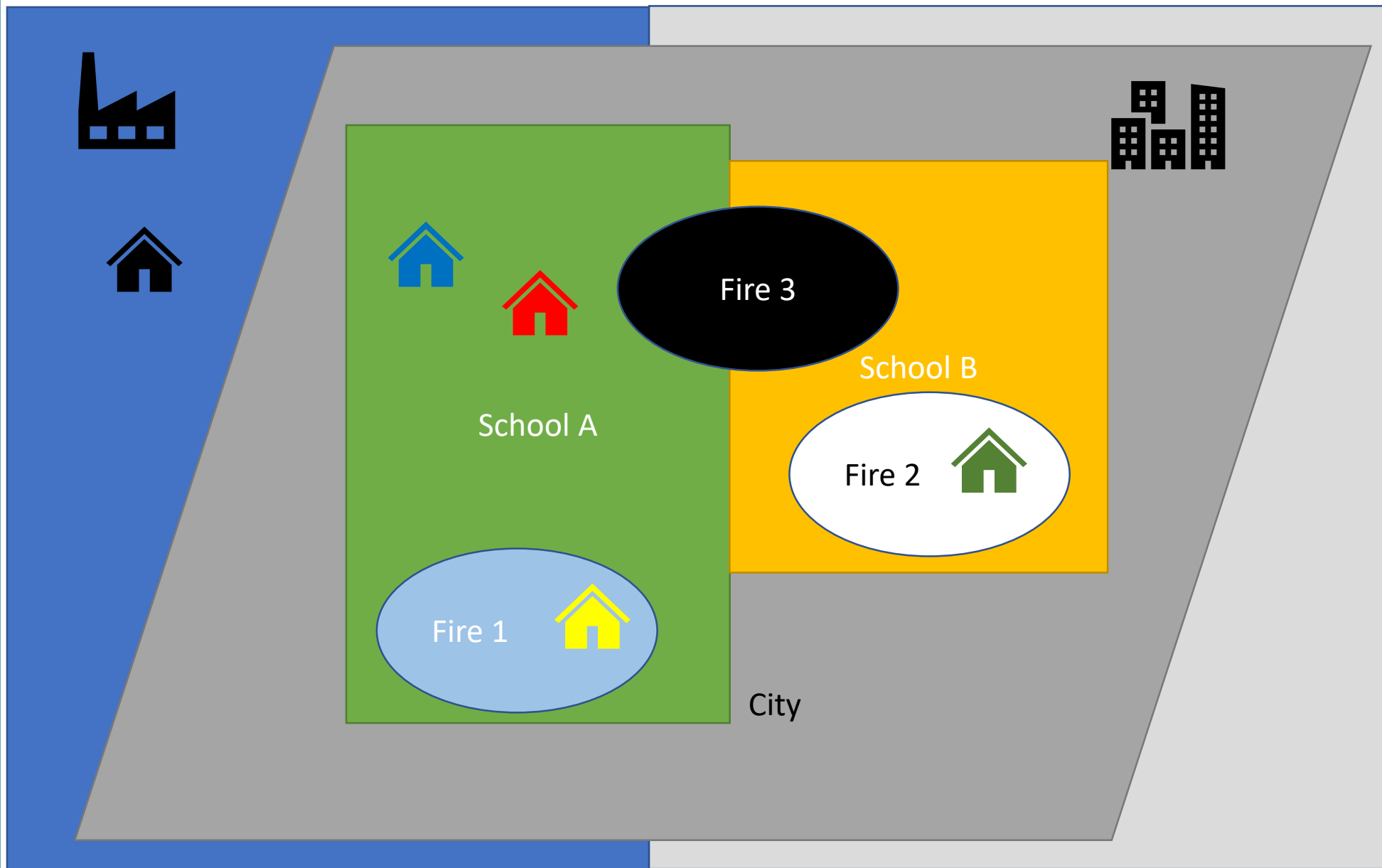
# Taxing Districts

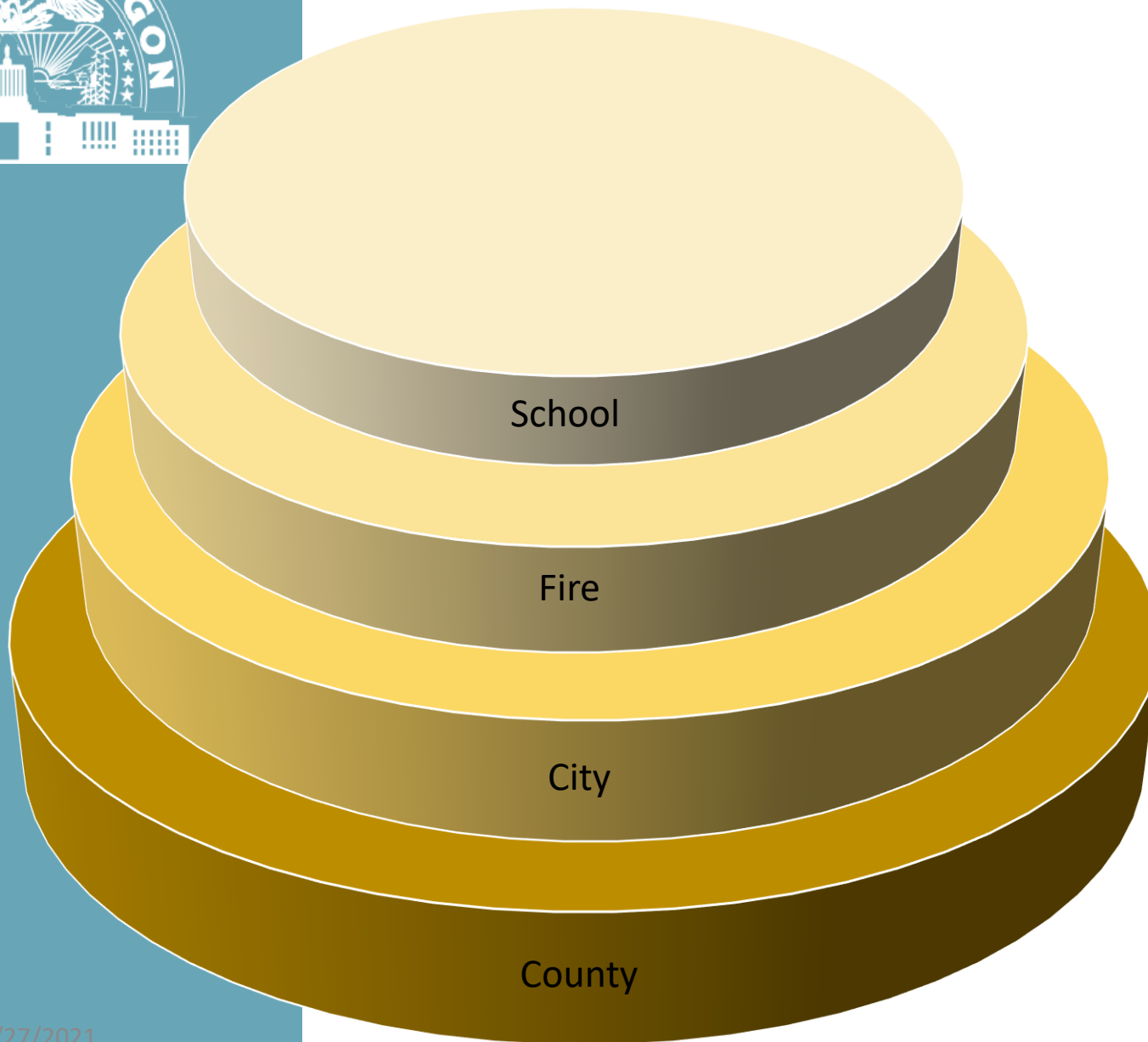
- County
- City
- School
- Education Service (ESD)
- Community
- College
- Cemetery
- Fire
- Health
- Park
- Port
- Sanitary
- Water Supply
- Water Control
- Vector Control
- Other



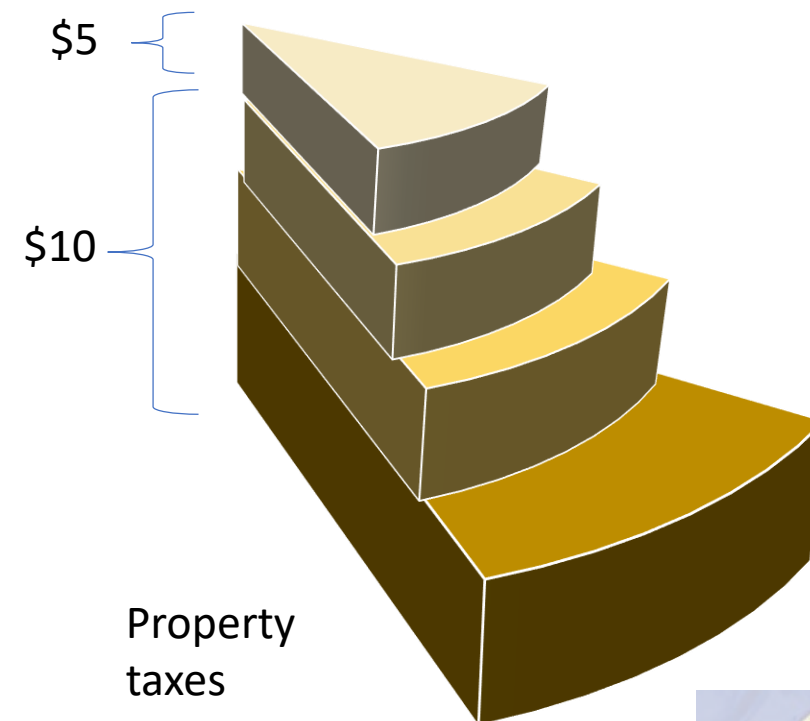


# Code Areas and Taxing Districts





12



Property  
taxes



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# Tax Bill: An Example

7/1/18-6/30/19 REAL PROPERTY TAX STATEMENT  
MARION COUNTY, OREGON - 555 COURT ST NE #2242 - SALEM, OR 97301  
PROPERTY DESCRIPTION  
SALEM, OR 97305  
ACRES: .44  
MAP: 072M06AD03500  
CODE: 92400213

ACCOUNT NO.: R51294  
3,795.30  
**LAST YEAR'S TAX**  
See back for explanation of taxes marked with (+)

**VALUES:**

	LAST YEAR	THIS YEAR
MARKET VALUES:		
MRKT LAND	88,330	100,180
STRUCTURES	282,720	338,020
TOTAL RMV	371,050	438,200
TAXABLE VALUES:		
ASSESSED	261,160	268,990

**NET TAXABLE:**

	261,160	268,990
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If a mortgage company pays your taxes,  
This statement is for your records only.

Full Payment with 3% Discount	2/3 Payment with 2% Discount	1/3 Payment No Discount
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4,235.96 2,853.09 1,455.66

▲ Tear Here  
2018-19 Property Taxes  
SITUS: 4151 DREW ST NE  
SALEM, OR 97305

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT  
MARION REAL

**TOTAL TAX (After Discount)** 4,235.96

▲ Tear Here

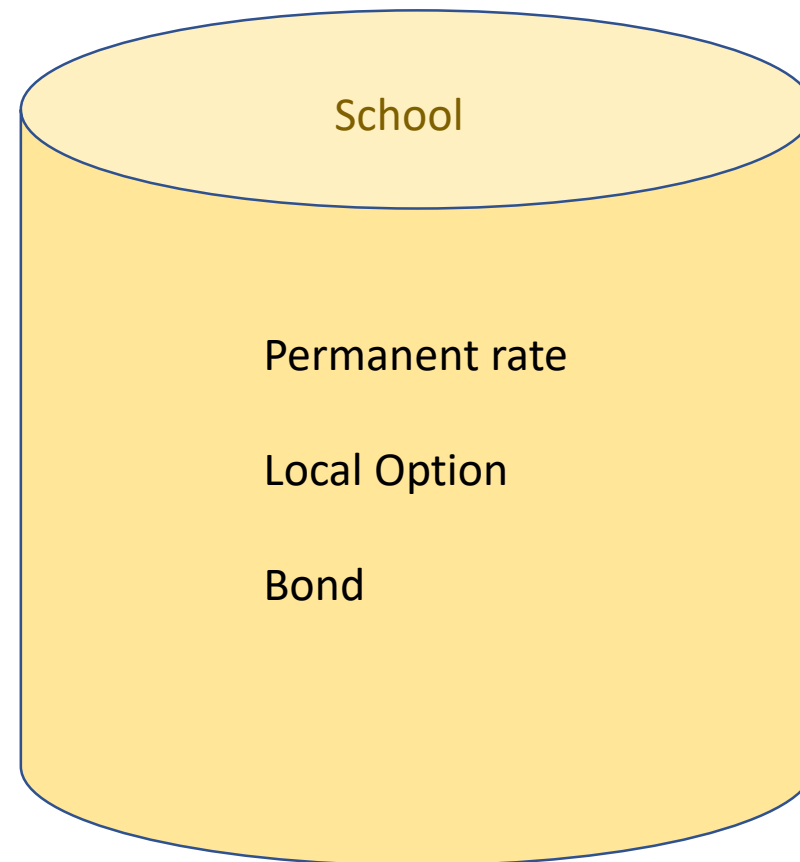
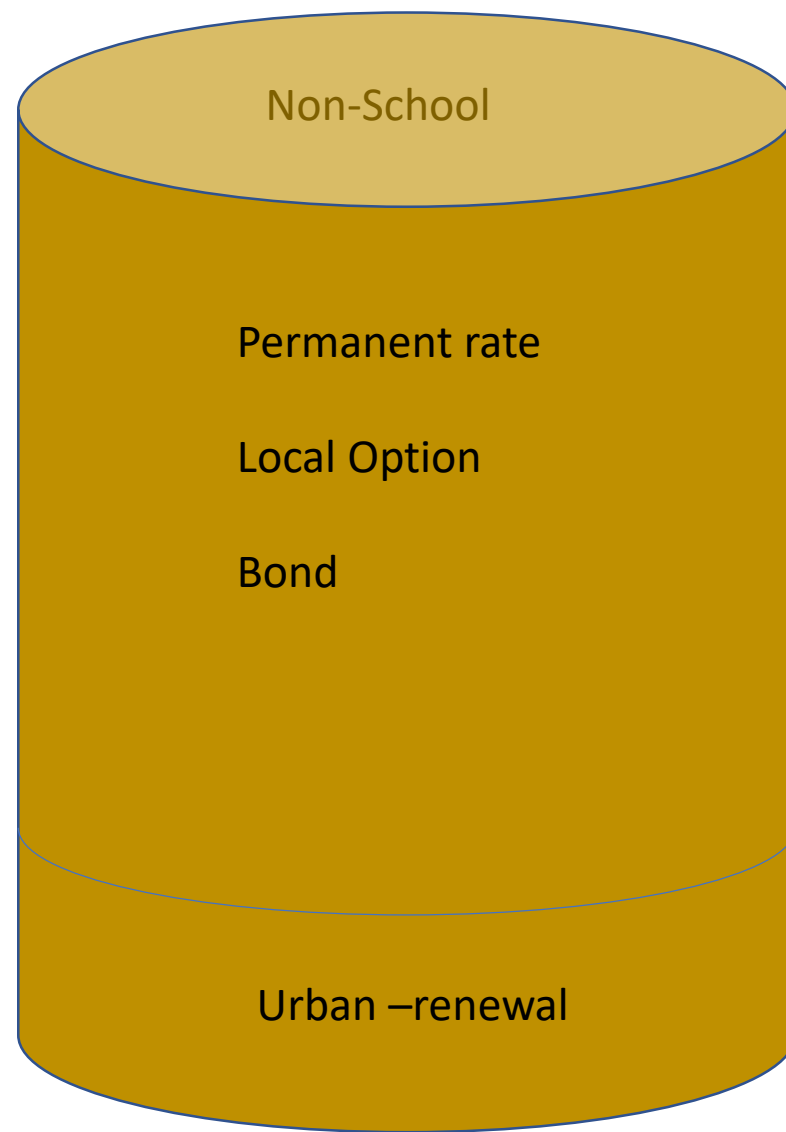
	Pay By	Discount Allowed	Net Amount
Full Payment Enclosed.....	Due: 11/15/18	131.01 3%	4,235.96
or 2/3 Payment Enclosed.....	Due: 11/15/18	58.23 2%	2,853.09
or 1/3 Payment Enclosed.....	Due: 11/15/18	NONE 0%	1,455.66

1/27/2021





# Taxing districts and their Revenue Sources

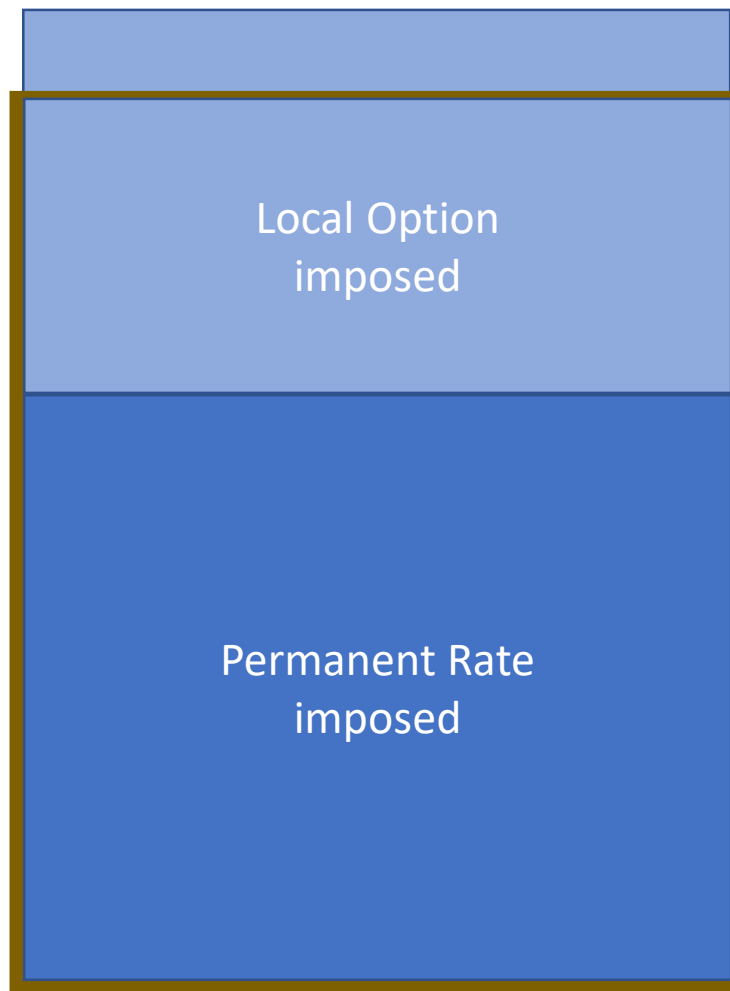




# Compression

\$10

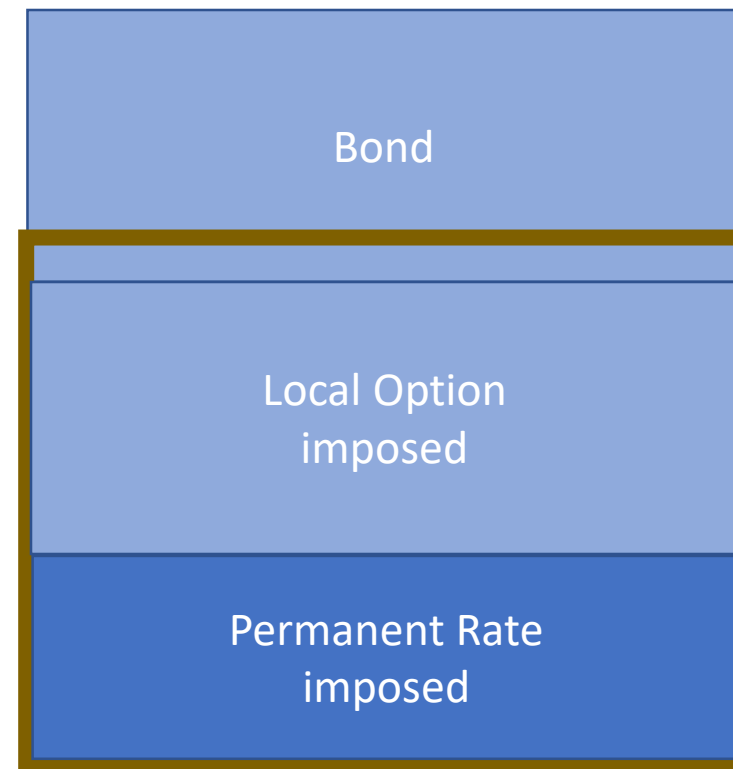
## Compression



Non-school /General Govt

## No Compression

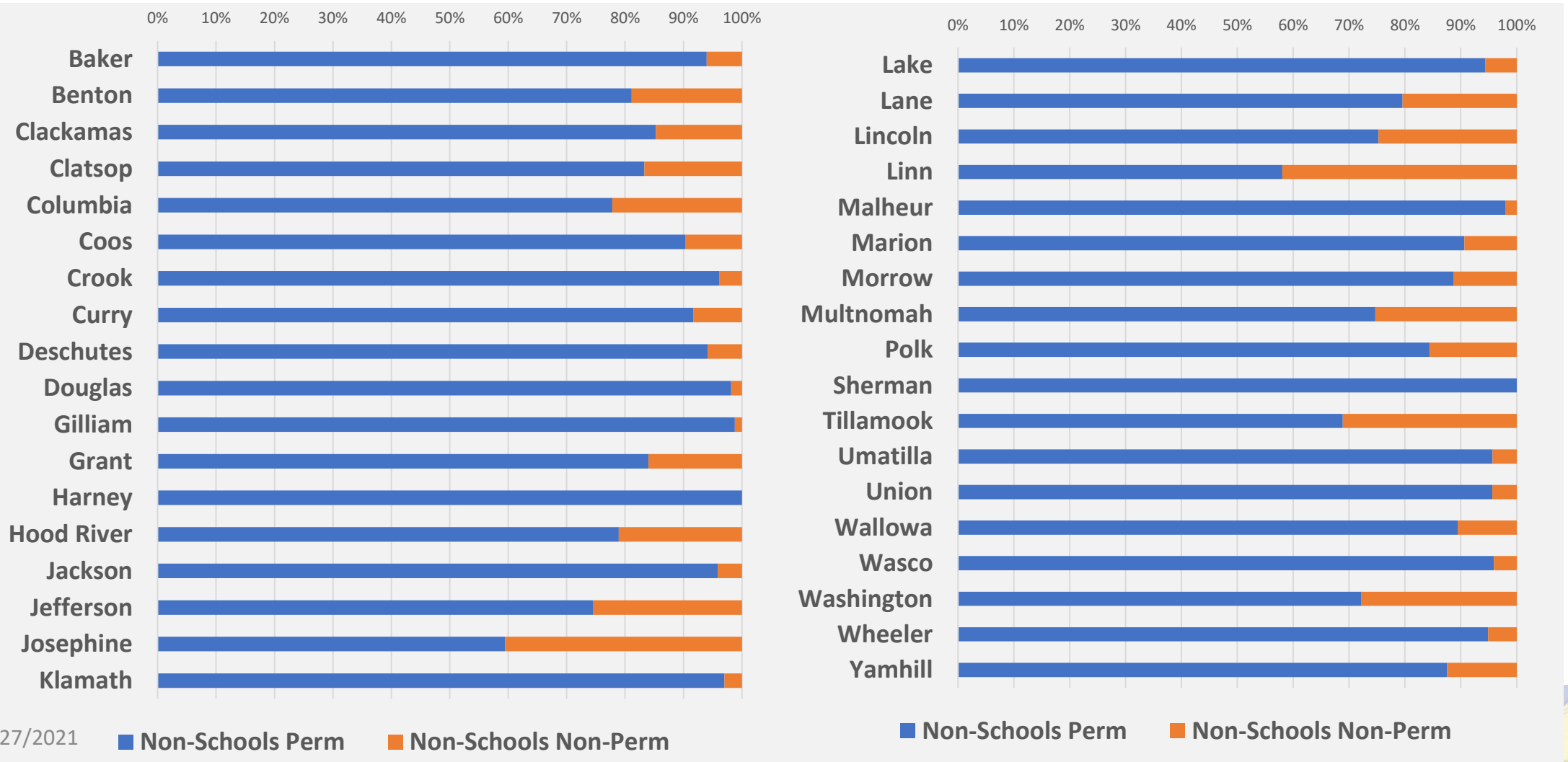
\$5



School



# Non-School Property Tax Revenue by Source

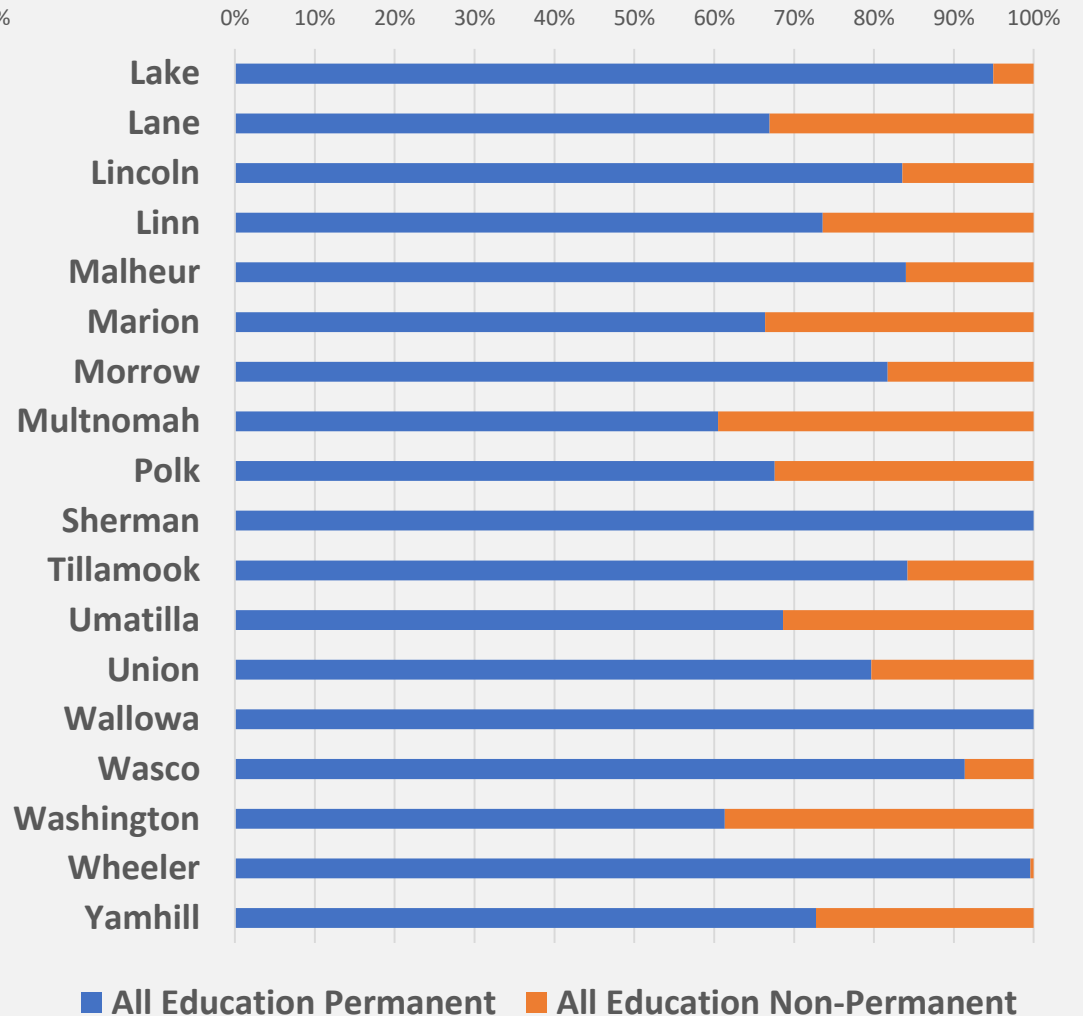
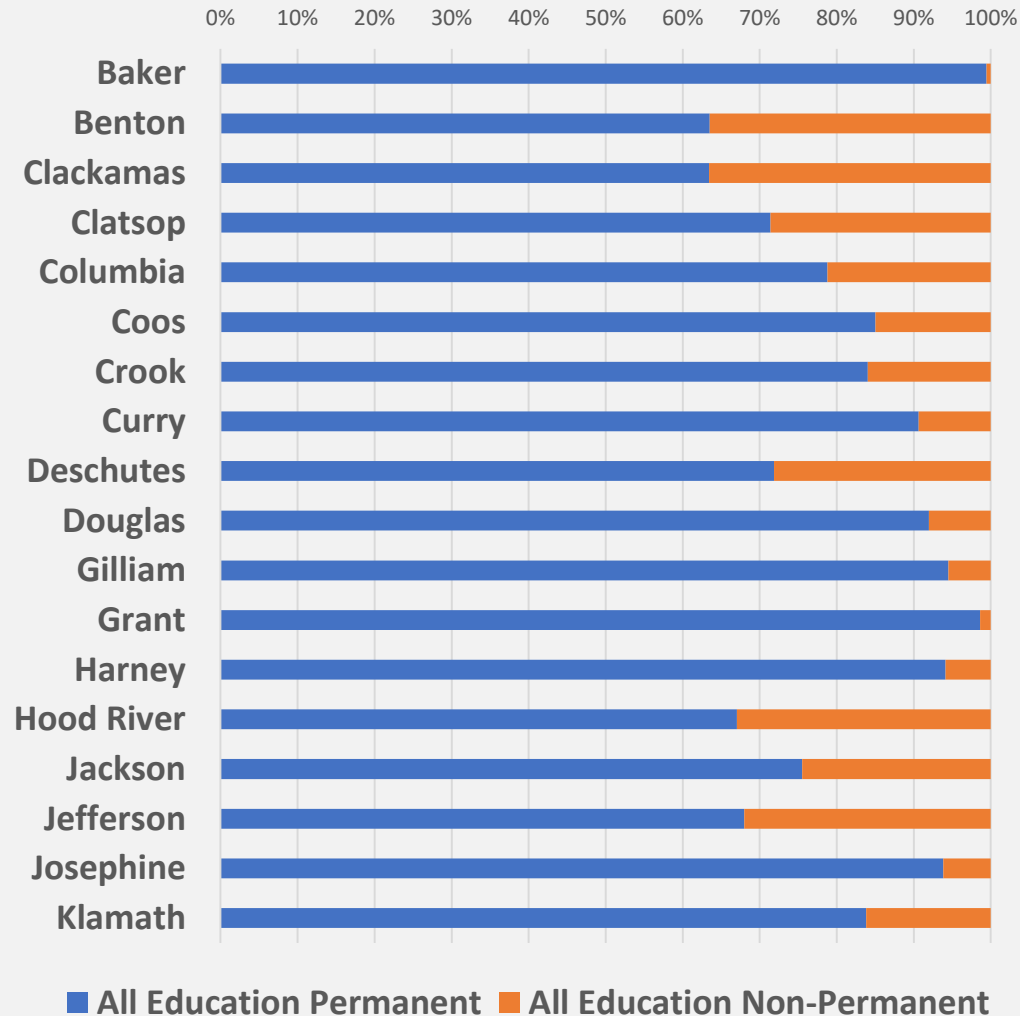


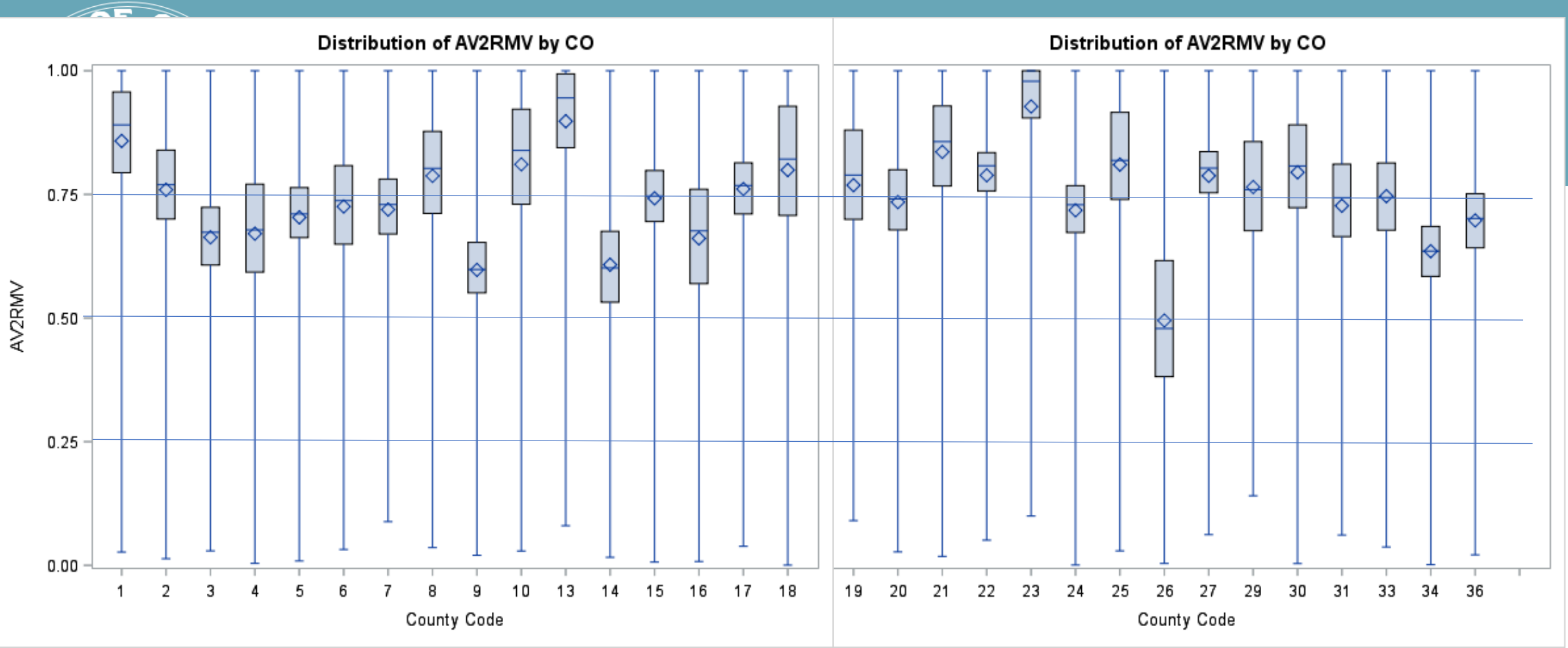




# School Property Tax Revenue by Source

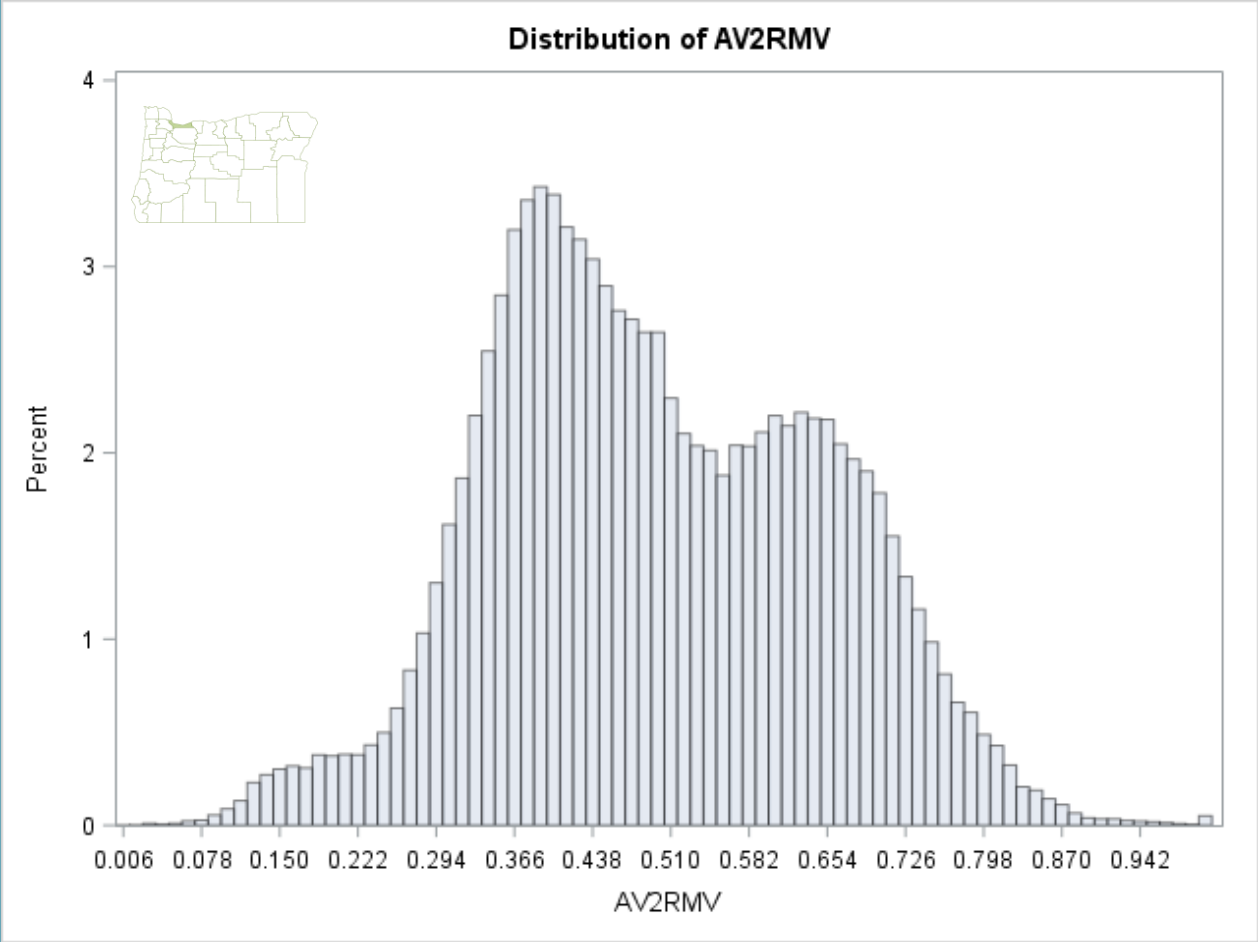
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- |              |               |              |               |
|--------------|---------------|--------------|---------------|
| 01 BAKER     | 09 DESCHUTES  | 19 LAKE      | 27 POLK       |
| 02 BENTON    | 10 DOUGLAS    | 20 LANE      | 29 TILLAMOOK  |
| 03 CLACKAMAS | 13 HARNEY     | 21 LINCOLN   | 30 UMATILLA   |
| 04 CLATSOP   | 14 HOOD RIVER | 22 LINN      | 31 UNION      |
| 05 COLUMBIA  | 15 JACKSON    | 23 MALHEUR   | 33 WASCO      |
| 06 COOS      | 16 JEFFERSON  | 24 MARION    | 34 WASHINGTON |
| 07 CROOK     | 17 JOSEPHINE  | 25 MORROW    | 36 YAMHILL    |
| 08 CURRY     | 18 KLAMATH    | 26 MULTNOMAH |               |





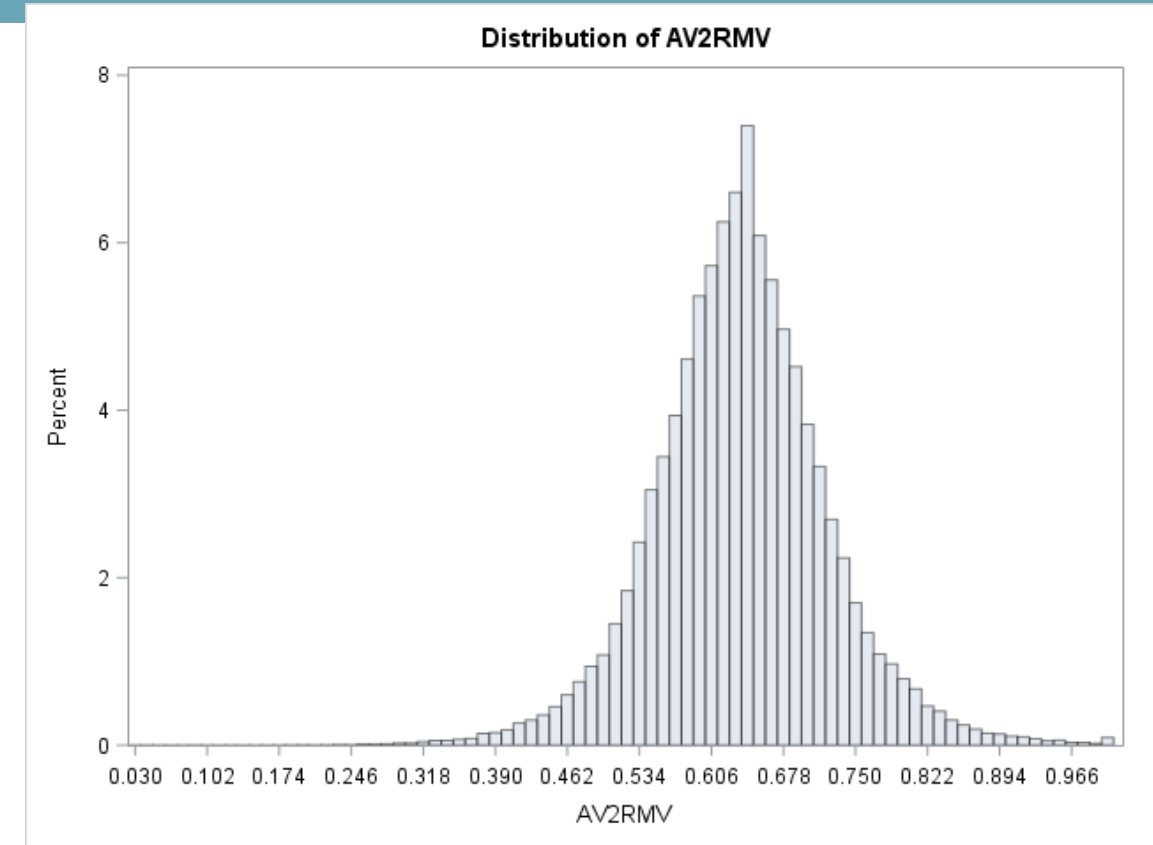
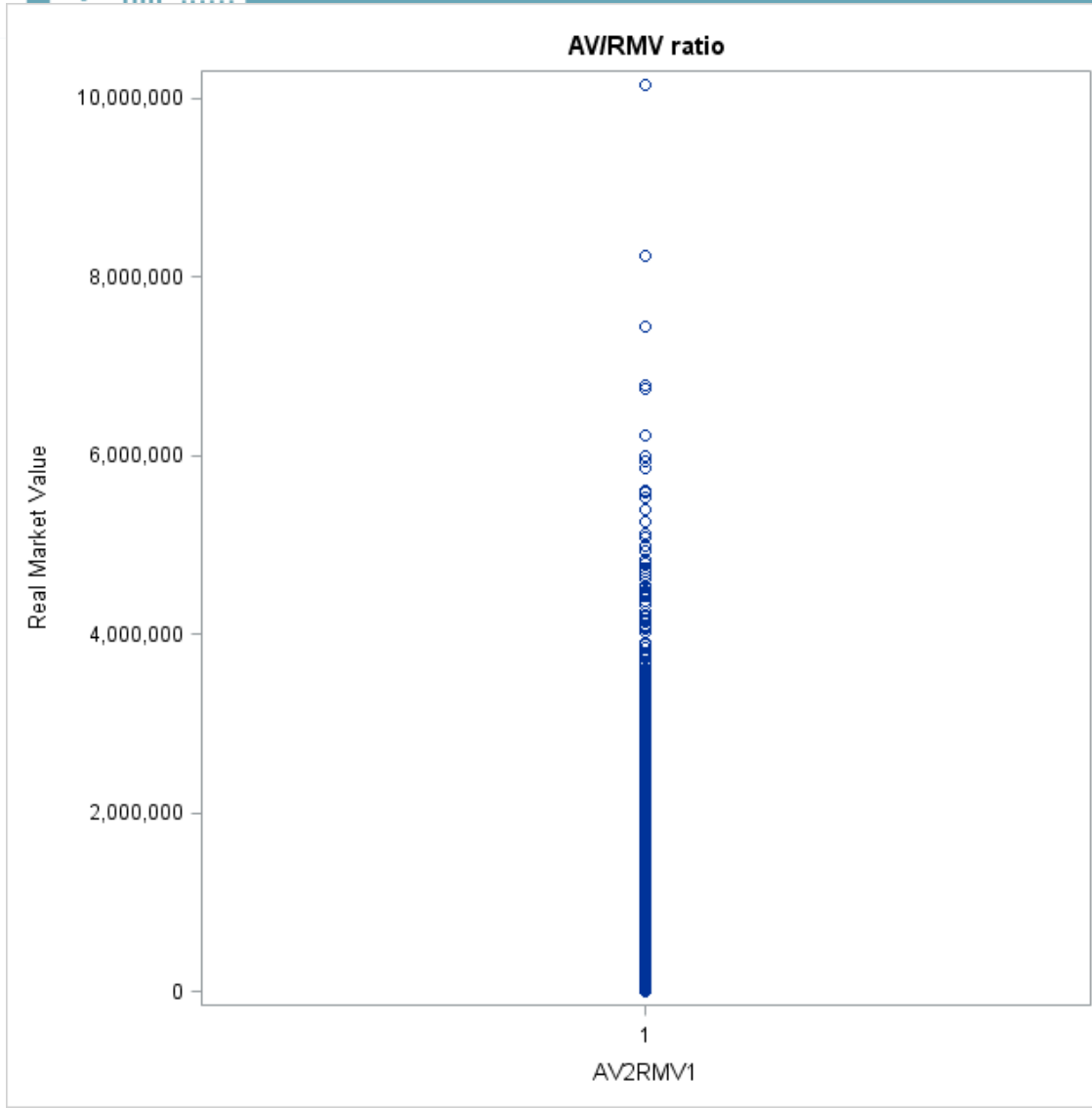
RMV	ratio	tax	AV	taxes	
\$500,000	0.6	0.022	300000		\$6,600
\$500,000	0.5	0.022	250000		\$5,500
\$500,000	0.4	0.022	200000		\$4,400
\$500,000	0.6	0.017	300000		\$5,100
\$500,000	0.5	0.017	250000		\$4,250
\$500,000	0.4	0.017	200000		\$3,400





# So what does it mean?

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Washington Co 2017-18

