

## **Do the Math**

### **Property Assessment**

The process of identifying taxable property and assigning a value to it is termed appraisal. County assessors appraise most property in Oregon. The Department of Revenue appraises certain large industrial sites, and utility property. Each county assessor prepares their county's assessment roll, which is a listing of all taxable property as of January 1 of each year.

Utility property is placed on a statewide assessment roll. The department allocates utility values to the county rolls prior to the preparation of tax bills.

Property subject to taxation includes all privately owned real property (e.g., land, buildings, and fixed machinery and equipment), manufactured homes, and personal property used in a business. There is no property tax on household furnishings; personal belongings and automobiles; crops; orchards; business inventories; or certain intangible property such as stocks, bonds, or bank accounts.

Most property used for religious, fraternal, and governmental purposes is exempt. Reductions in assessments are granted for certain types of property such as open space, farmland, forestland, and historical buildings. Properties owned by disabled veterans also are given reduced assessments.

### **Assessment Appeal**

A property owner or other person who holds an interest in a property that obligates the person to pay the taxes imposed on the property can appeal the valuation of the property to the local Board of Property Tax Appeals. Petitions to the board must be filed between late October, when the tax statements are mailed, and December 31. **Petitions are filed in the office of the county clerk in the county where the property is located.** There is no fee for filing an appeal with the Board of Property Tax Appeals.

The Board of Property Tax Appeals also can hear appeals of penalties assessed for the late filing of real and personal property returns. The board has jurisdiction to waive all or a portion of a penalty if the petitioner can prove there was good and sufficient cause for the late filing or for first-time non-filers.

Board hearings are informal, and the property owner is not required to have an attorney present. The owner(s) can sign the petition to the board and represent themselves at the hearing or authorize certain other persons to sign the petition for them. Those persons who can be authorized to sign a petition are explained on the petition form. Hearings are scheduled sometime between the first Monday in February and April 15. The clerk of the board will notify the petitioner of the time and place to appear.

If a property owner or assessor is unhappy with the board's decision regarding property value, he or she may appeal to the Magistrate Division of the Oregon Tax Court. Magistrate decisions can be appealed to the Regular Division of the Tax Court. Decisions of the Regular Division of the Tax Court can be appealed to the Oregon Supreme Court.

**If you're planning to appeal, understand the two valuations, Market value & Assessed value/Taxable value. Do the math. You will need to prove that your homes value is less**

**than the property being taxed. County Taxable Assessed values are on average, 50% of market value.**

### **Taxable Value Limitation**

The Oregon Constitution limits the rate of growth of property value subject to taxation. The limit is based on a property's maximum assessed value (MAV). The MAV was established for all property in existence in 1997-98 by a formula described in the constitutional amendment, Measure 50. MAV for new property is computed using a different formula also contained in the constitution.

MAV is allowed to increase each year by no more than 3 percent. There are exceptions to this limit, however. The addition of a new structure, major improvement of an existing structure and subdivision or partition of the property is examples of exceptions that would increase MAV by more than 3 percent.

Each year the MAV and real market value for each property are figured. The property is then taxed on the lesser value, which is called the taxable assessed value.

### **Property Tax Deferral for Disabled and Senior Citizens**

Low and moderate income Oregonians over the age of 62 or those who are disabled who meet certain qualifications can defer paying property taxes on their residences. See your county assessor for details and applications.

***SOURCE: Oregon Dept. of Revenue***

***Special Thank You to Shawn Wylie of the Lincoln County Assessor's Office.***