

# Oregon's Property Tax System

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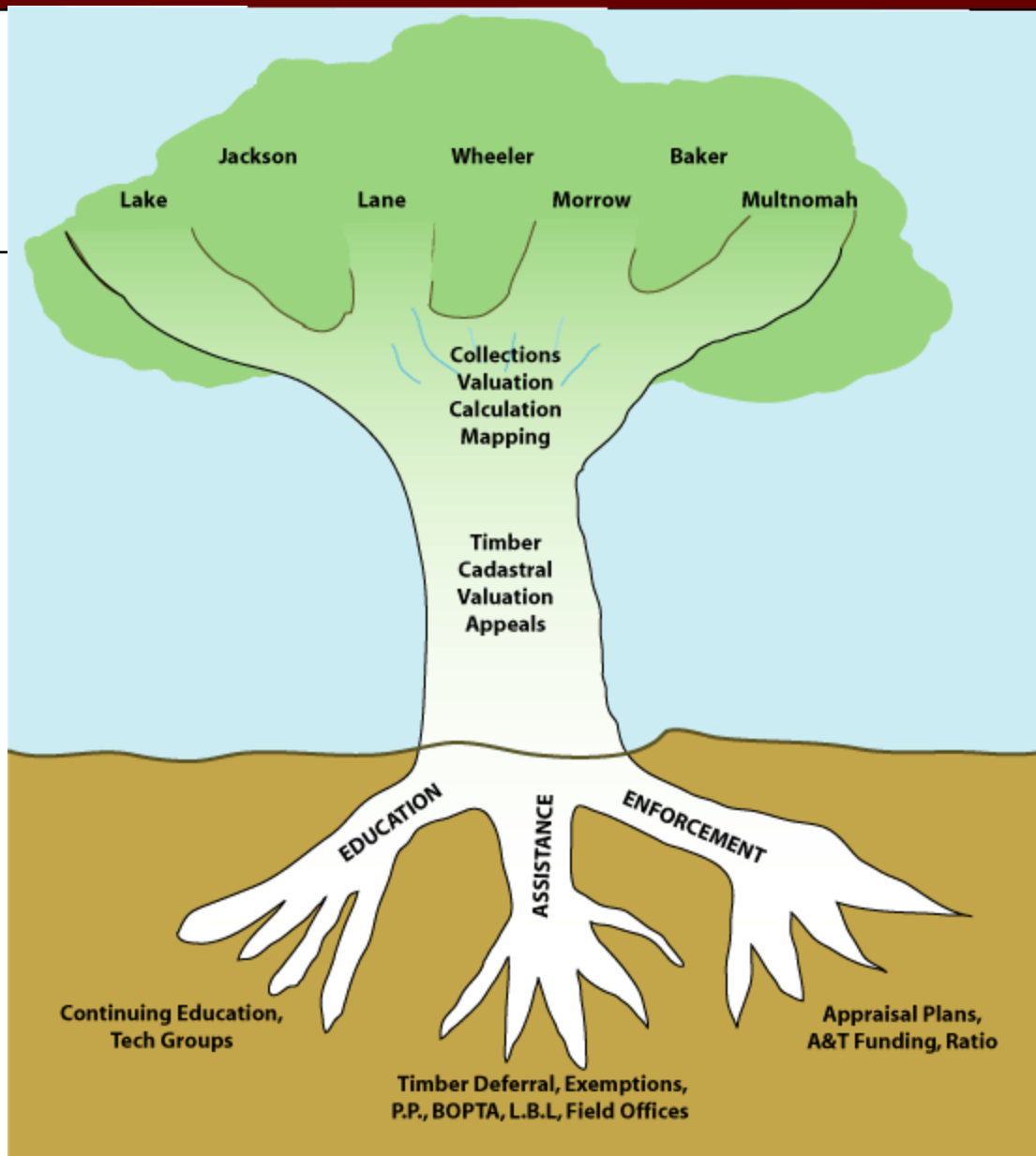
A joint venture of  
state and local government



# The Property Tax

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- ❑ First established in Oregon in 1844
- ❑ Currently the second largest source of tax
- ❑ Property tax funds:
  - Schools
  - Local government
  - State public policy objectives
- ❑ The Department of Revenue has oversight responsibility



Lake Jackson Wheeler Baker  
Lane Morrow Multnomah

Collections  
Valuation  
Calculation  
Mapping

Timber  
Cadastral  
Valuation  
Appeals

EDUCATION

ASSISTANCE

ENFORCEMENT

Continuing Education,  
Tech Groups

Timber Deferral, Exemptions,  
P.P., BOPTA, L.B.L, Field Offices

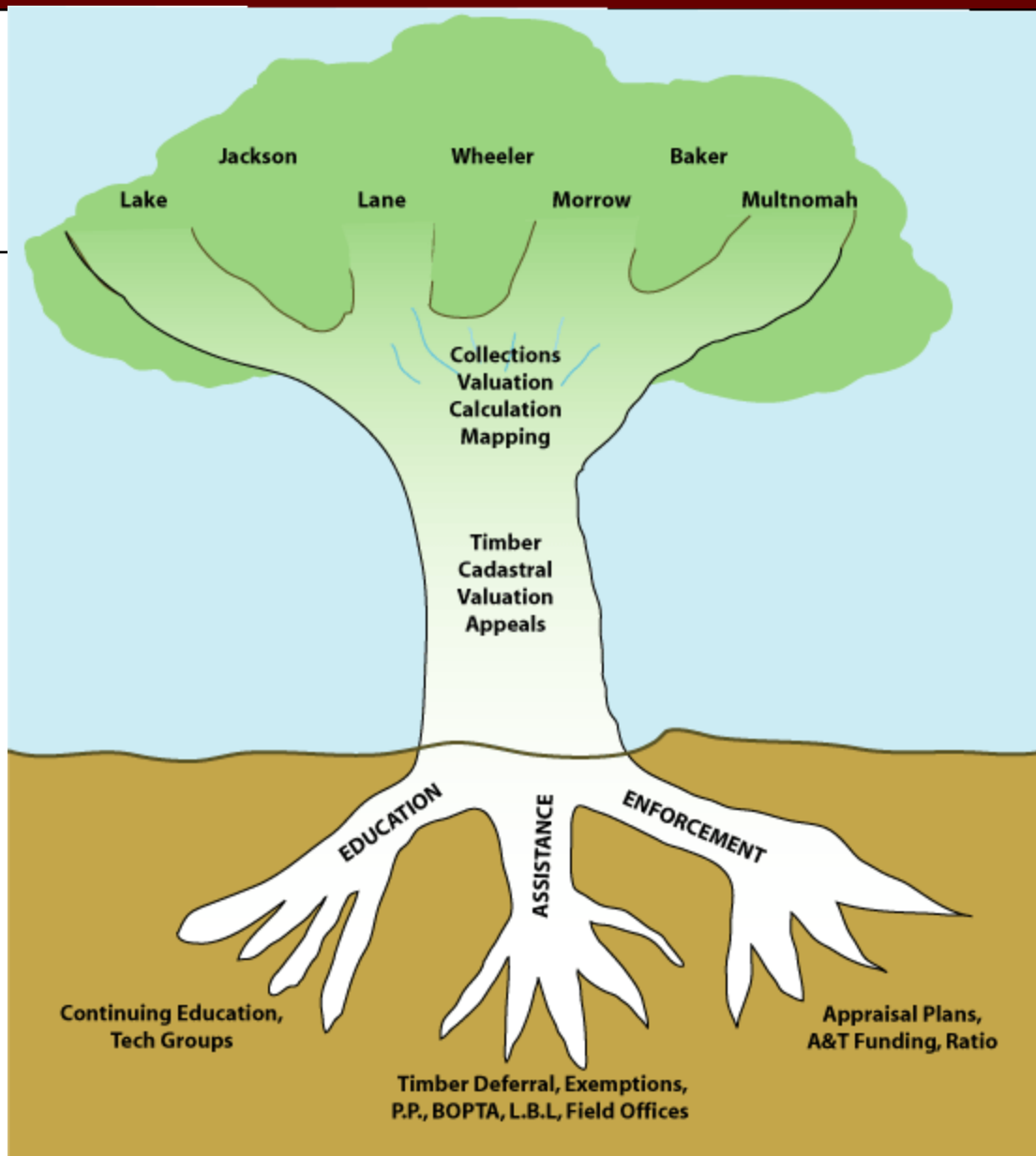
Appraisal Plans,  
A&T Funding, Ratio



# The Roots

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- Continuing education
- Professional appraisal qualifications
- Supportive roles
  - Deferral, appeals, tax collection & appraisal
- Subject area expertise
  - Exemptions, budget law, timber & others





# The Trunk – State & County Functions

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- Mapping
- Appeals of Property Value
- Appraisal of industrial and centrally assessed properties



# The Trunk – Mapping

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- ❑ Tax obligation is geographically referenced
- ❑ Ownership and physical characteristics change constantly
- ❑ Taxing District Boundary changes
  
- ❑ DOR's Role:
  - ❑ Map maintenance (9 counties)
  - ❑ Statewide base map system (ORMAP)

# Tax Lot Maps







# The Trunk – Appraisal

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## Division of appraisal responsibility

- Department appraises
  - Centrally assessed properties
  - Large industrial properties
  
- County appraises
  - Residential, commercial, small industrials

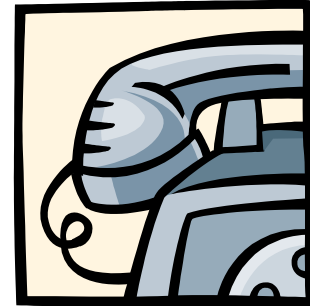
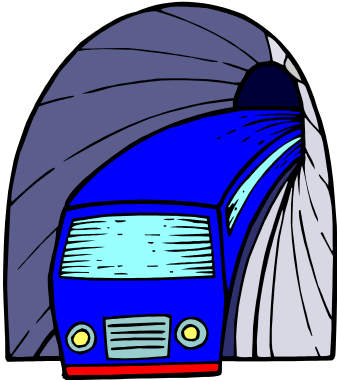
# The Trunk – Appeals

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Appeals by Category:	<u>13-14</u>	<u>14-15</u>
□ BOPTA (local appeals board)	4109	
□ DOR		
■ Directors Review	74	
■ Supervisory	38	113
□ Tax Court		
■ Regular division	32	
■ Magistrate	468	

# Central Assessment

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# Rationale for Central Assessment

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- ❑ Properties are usually complex in design, construction, and operation
- ❑ Entities usually operate as part of a network in multiple states and counties
- ❑ Concept used by most states for similar properties.
- ❑ Accuracy and consistency



# Entities subject to Central Assessment

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- Energy companies
  - Electric companies
  - Gas companies
  - Pipeline companies
- Transportation companies
  - Railroads, Airlines, and Water transportation
- Communication providers
  - Wire and wireless, mobile radio,
  - Cable, satellite, dish



# Centrally Assessed Program Accounts

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- ❑ More than 500 companies
- ❑ More than \$17.6 billion in taxable value
- ❑ Nine appraisal staff
- ❑ Returns Due February 1 or March 15
- ❑ Director's Review – June 15 to August 1
- ❑ Values to counties by August 18 (target)

# Large Industrial Appraisal (Principal and Secondary)

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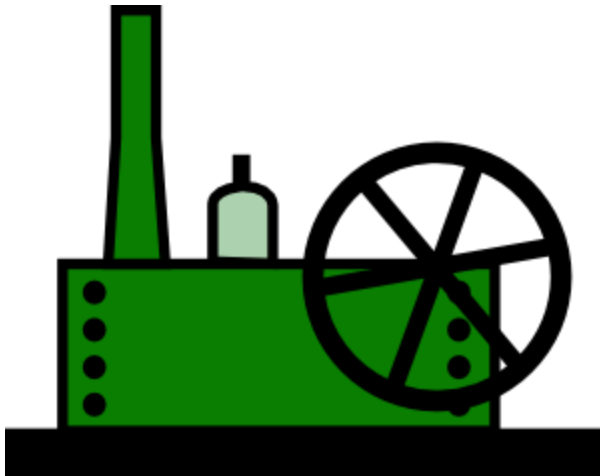
Principal = Over \$5m

Pre 1989

Secondary = Over \$1m less than \$5m

1989

Manufacturing



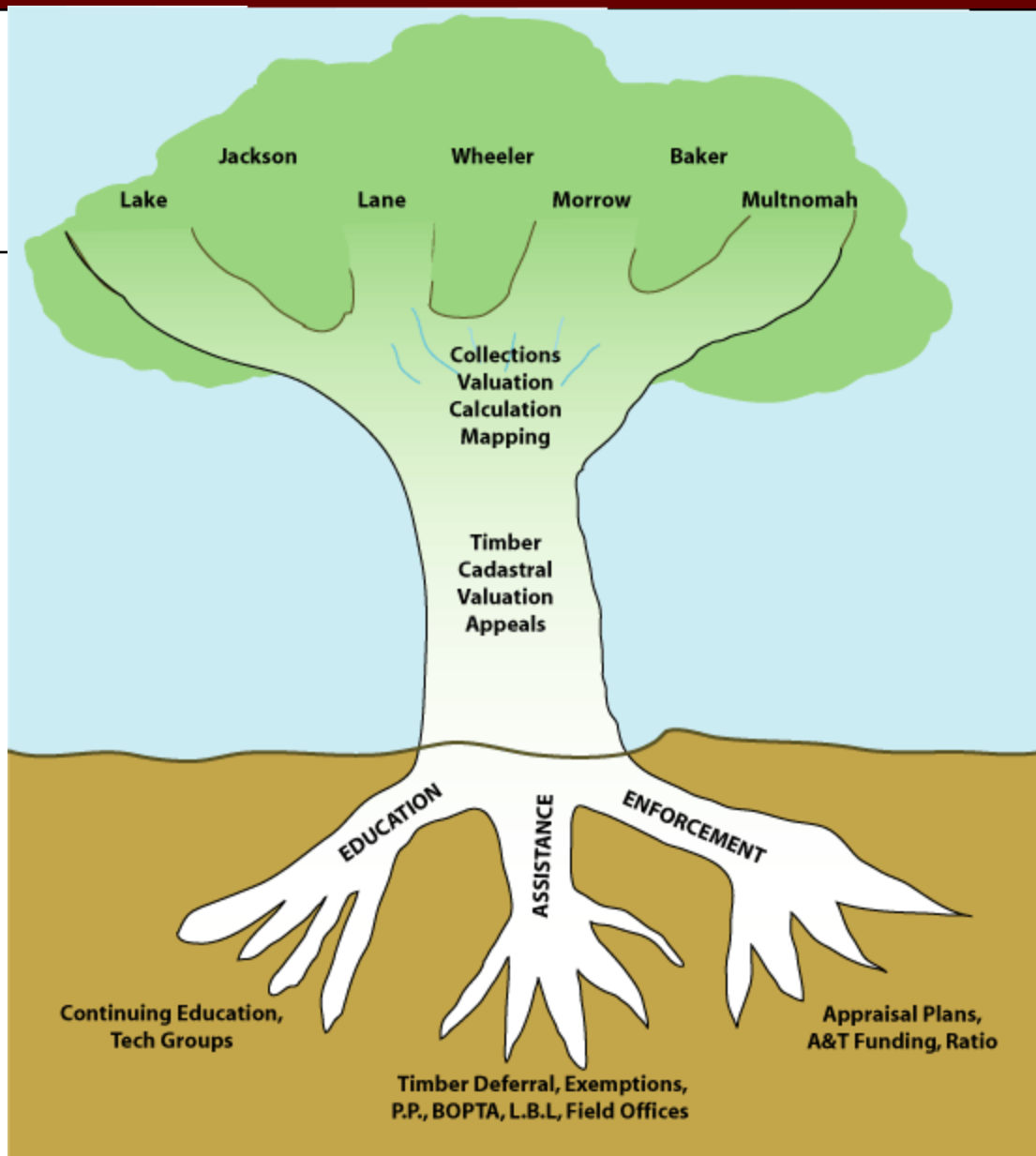


# Large Industrial Program Accounts

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- More than 1500 companies
- More than 2445 accounts
- More than \$5.4 billion in taxable value
- Thirty appraisal staff
- Return season March 1 through July 1







# The Branches – County Functions

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In addition to shared responsibilities,  
counties:

- ❑ Calculate taxes
- ❑ Collect taxes
- ❑ Distribute taxes
- ❑ Maintain tax records, customer services, etc



# The Leaves – Outgrowth

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## Taxing Districts:

- ❑ Cities & Counties
- ❑ Schools
- ❑ Special Districts

## Public Policy Objectives:

- ❑ Economic Development
- ❑ Natural Resources
- ❑ Social Programs



# Local Government Services

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## Cities & Counties

- Public governance
- Law enforcement
- Jails
- Courts
- District Attorney
- Juvenile services
- Public Health services
- Road maintenance
- Emergency response
- Libraries
- Parks & recreation
- Street lighting
- *and.....*

## Special Districts

- Water & irrigation
- Street & highway lighting
- Sewer & waste disposal
- Mass transit system
- Hospital services
- Parks & recreation
- Libraries
- Road Maintenance
- Soil & water conservation
- Weed & vector control
- Public cemeteries
- Port Authorities
- Airports
- *and...*

# Tax Expenditures: Public Policy

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## Economic Incentives

- Development
- Enterprise Zones
- Strategic Investment
- Urban renewal
- Vertical Housing

## Preservation

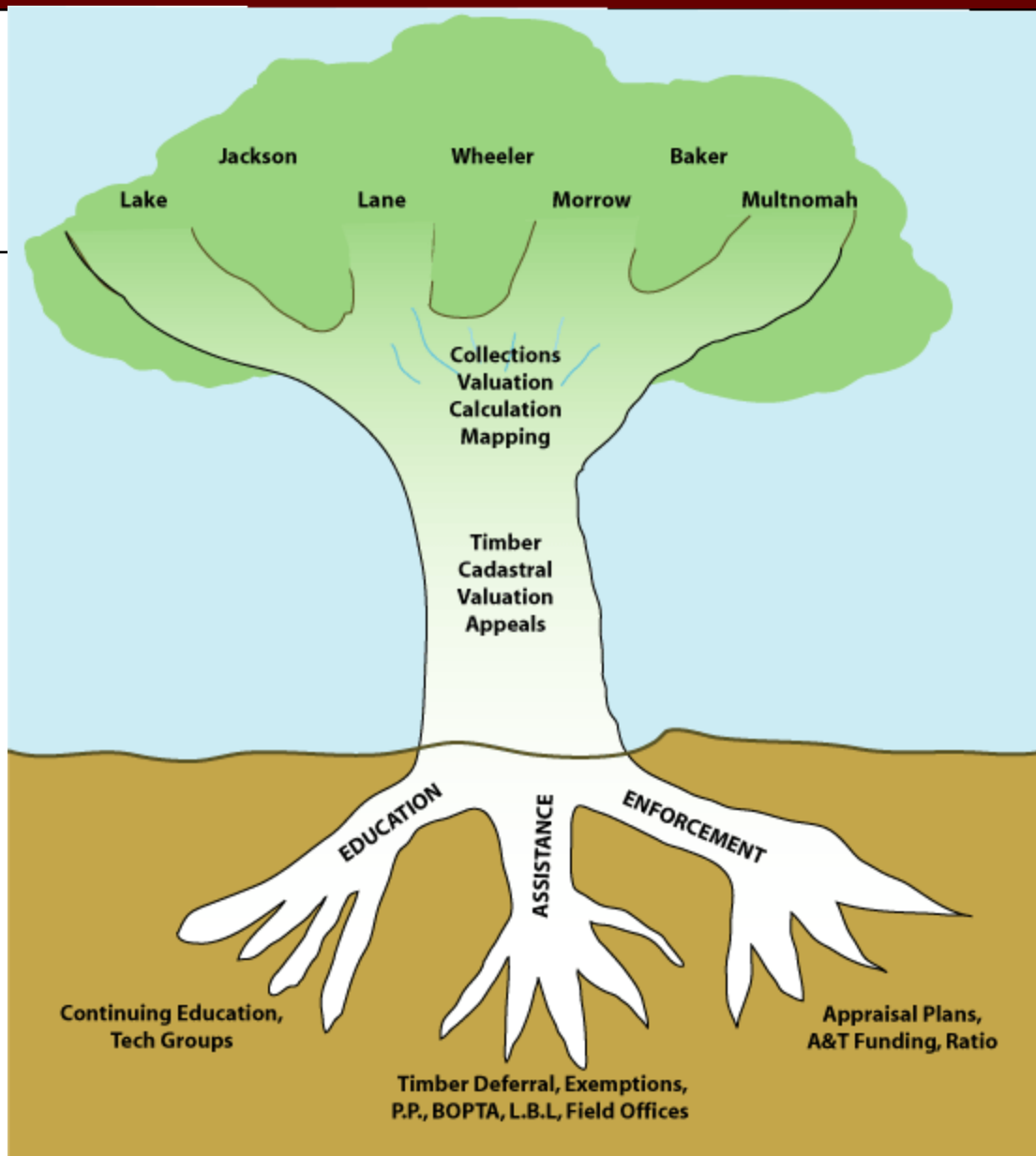
- Wetlands
- Conservation easements
- Farm use
- Timber lands
- Historic property

## Social Goals

- Low income housing
- Senior housing
- Disabled & Veterans tax deferral / exemption
- Charitable organizations
- Religious organizations

## Education

- Student housing
- Day care
- Student parking
- Fraternities & Sororities
- Libraries



# By the numbers...

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■ Number of accounts	2,525,000
■ Total Market Value	470,549,320,000
■ Total taxable value	354,335,877,000
■ Number of taxing districts	1,302
■ Number of code areas	3,592
■ Total taxes imposed	5,814,670,000
■ % collected within 1 year	97.1%