



DEPARTMENT OF ASSESSMENT  
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VISIT OUR WEB SITE: [www.Jacksoncounty.org](http://www.Jacksoncounty.org)

Check out our **PROPERTY DATA ONLINE (PDO)**, which was formerly **FRONT COUNTER APPLICATION**. It contains assessment, tax and planning information you need and answers many of your questions. Also, look at the Assessment Dept (Assessment Data). Here you will find assessment facts and statistics.

### WHAT DO WE DO?

- Administer **Local** Property Taxes
- Administer laws and statutes passed by the state legislature and administrative rules mandated by Oregon Department of Revenue.
- Administer property tax programs such as Veterans, Sr. Citizen Deferrals, Farm/Forest, Exemptions, etc.
- Value property for tax purposes: Residential, Commercial, Industrial and Personal Property (equipment used for business).  
In the past property was valued physically every 6 years and adjusted each year thereafter to market value using a yearly trend. Measure 50 eliminated the 6-year reappraisal—Now we appraise hot spot areas and value new construction, subdivisions and partitioned or subdivided property.
- Review district budgets to ensure districts do not budget more than allowed by law.
- Compute tax rates by dividing budgets by value.
- Certify taxes and send out tax bills.
- Property tax appeals – BOPTA – Magistrate – Tax Court—Oregon Supreme Court

### **COMMONLY ASKED QUESTIONS:**

#### **Q: Why is the appraiser visiting my property?**

**A:** Oregon law requires that all property be appraised at 100% of its Real Market Value (RMV). **All new construction and remodeling must be appraised and we may be following up on a permit.** Or, the appraiser may be just verifying the records we have at the courthouse with what is actually on the property.

#### **Q: What is the appraiser looking for?**

**A:** The appraiser is interested in all aspects that influence the value of the property: the size of the structures, their condition, the quality level of construction, the interior and exterior accessories -- garages, bathrooms, kitchen items, porches, decks etc.

#### **Q: Who is appraising my property?**

**A:** The individual evaluating your property is a professional real estate appraiser registered by the state of Oregon. The appraiser is an employee of the **Jackson County Department of Assessment**.

#### **Q: Will this appraisal mean higher property taxes next year?**

**A:** If we are there for new construction, probably. RMV under \$10,000 in one year is not assessable. Assessed value under Measure 50 is a percentage of the properties RMV, trying to mimic the benefits for Measure 50 (M-50) for all properties. Last year a residential property's assessed value was 52.5% of its RMV. Because we are appraising your property for new construction, if your RMV exceeds the \$10,000 limit your taxes will increase. Your taxes may increase simply due to new voter approved taxes and the constitutional 3% growth of your assessed value each year (see below for a better explanation of how M-50 works).

#### **Q: Why don't you call ahead for an appointment?**

**A:** We appraise thousands of properties each year. With our limited staff, it would not be feasible or possible to call ahead.

#### **Q: Why is the appraiser looking at and measuring my property while I am not at home?**

**A:** We simply don't have the time to visit each property twice, so the appraiser will do their best to gather all the information necessary to do an appraisal. They will leave their card and request a call to the office to confirm any information they may have gathered. **It is important that you call back**, since the appraiser can only make educated guesses and I'm sure we both want an accurate appraisal. This information is not only important for tax purposes but for Real Estate agents, insurance agents, those selling or purchasing property, etc, who use this information for multiple reasons.

#### **Q: When will I know my property's value?**

**A:** We are required to finish our appraisal values September 25 each year. Because there are so many aspects to creating your value, we will not know what the value of your property is until that time. You can estimate your value by looking at similar property in your area. See our WEB SITE: [www.jacksoncounty.org](http://www.jacksoncounty.org)

#### **Q: What is an Assessment Year? What is a Tax Year?**

**A:** We appraise property as of January 1 each year. If your property is only 50% complete on January 1, you will only be assessed at 50% for tax purposes. If the property existed (just land) before January 1 but the house wasn't started until after January 1, you will only have to pay taxes for the land in October-November. The TAX YEAR begins July 1 and ends June 30. You pay taxes on the value we establish January 1 for the tax year beginning the following July 1

**SINCE WE HAVE LIMITED TIME TO GET OUR WORK DONE, WE HOPE THAT THIS BROCHURE AND OUR WEB SITE WILL ANSWER ALL YOUR QUESTIONS. IF THEY DON'T, PLEASE FEEL FREE TO CALL OUR OFFICE UTILIZING ONE OF THE TELEPHONE NUMBERS ABOVE.**

### **PROPERTY TAX HISTORY**

Property taxes began with statehood in 1859 in order to fund state and local government.

1916 **Tax Base Law** passed by voter initiative – Taxing districts tax bases can increase by 6% without voter approval.

1929 **Income Tax** established to provide property tax relief.

1946 **Basic School Support** was implemented by voter initiative to:

1. Provide adequate and stable funding for schools
2. Reduce reliance on property tax
3. Reduce inter-district disparities in tax & spending

Nationwide 50% of school funding came from the states.

In Oregon prior to M-5, 17 to 24% of school funding came from the state. Schools, getting less money from state & federal, came to the voters to increase property tax to offset losses.

1947 Legislature eliminated property taxes to fund state govt. Equity was a real problem and the tax commission began training Assessors and assisting in reappraising property.

1951 State provided funding to conduct a 10-year reappraisal that was extended to 16 years.

1955 Established 6-year reappraisal & began to ratio (maintain RMV) the other 5/6 of county.

1972-79 All counties appraised or adjusted annually. Equity was best it had ever been. Oregon recognized as nationwide leader.

1979 Homeowners property tax relief program created. Reduced true cash value and provided property tax rebates for homeowners. Lasted 5 years. (Prop 13 passed in California)

1990 M-5 passed for property tax relief. Tax rate for schools reduced \$2.50 each year from \$15.00 to \$5.00 in 95-96. Local government limited to \$10.00 tax rate. Bonds are outside the limit. Established RMV— lowest value during tax year. **Shifted school funding from local to state control (75% funding now comes from state). Value was not affected.**

1996 M-47 passed – Legislature failed to address increasing taxes due to a frozen rate for schools and increasing values, which equated to higher taxes. M-47 rolled back taxes to lesser of 1994-95 or 1995-96 minus 10% - Taxes could increase by no more than 3% each year (never implemented – unworkable).

1997 **M-50 replaces M-47**. It reduced taxes statewide by 17%, rolled back values to 1995-96 less 10% with 3% maximum growth per year and established permanent tax rates.

2001 Oregon ranks 25<sup>th</sup> for property tax revenue but ranks **2<sup>nd</sup> highest in the nation for Income tax**.

2003 We are 39 in the county (maybe as low as 44<sup>th</sup>) of total tax revenue but we are 4<sup>th</sup> in total revenue (fees and income taxes).

Since in Oregon, we don't pay \$300 – 400 per year to license our cars and don't have a sales tax, Property and Income tax fund most services!

**78% of Oregon property is exempt or on some form of special Assessment program. This means that 22% of us carry the load. Measure 50 is a voter approved constitutional property tax limit that replaces Measure 47 but maintains Measure 5 rate limits.**

- ❑ 1997 Reduced taxes 17% on a statewide average.
  - ❑ Exempts bonds, hospital districts, fire pension funds and certain levies passed with M-47 voting requirements.
  - ❑ Adjusts local tax cut if value growth exceeds 4% statewide.
  - ❑ Establishes permanent tax rates based on reduced levies and assessed values. (Combines existing tax bases and levies).
  - ❑ Allows voters to approve levies outside the rate limit, but not over M-5 limits, and is limited to a maximum of 5 years
- Elections must meet a double majority (50% turnout) or be passed in general elections** (repealed double majority in 2008). Capital project levies no more than 10 years of useful life.
- ❑ Maintains M-5 rate limits
    - \$5/Thousand for schools
    - \$10/Thousand for local government
    - No limit on bonds (capital construction projects).
  - ❑ M-50 has transformed Oregon property tax system from a levy based to a rate based system. M-5 was a combination of both.
  - ❑ Rolls value back to 1995-96 values less 10% (MAV).
  - ❑ Limits growth to 3% per year beginning 1998.
  - ❑ Allows value increases for new construction, subdivisions, rezoning, omitted property, and loss of exemption (added using a ratio to equalize additions to the roll back values).
  - ❑ Limits value added to \$10,000 or more per year or accumulated \$25,000 over a 5-year period.
  - ❑ HB 2066 exempts the value of personal property below \$10,000, adjusted up each year for M-50.
    - \*\* (\$15,000 for 08) \*\*
  - ❑ Reestablished a January 1 assessment date as of 1/1/98. Continues July 1 – June 30 tax year.
  - ❑ Assessed value is the lesser of MAV or RMV.
    - If RMV is less than MAV, MAV is frozen and will not receive the 3% increase.

Base MAV = 1995-96 less 10%, plus 3% each year thereafter.  
 MAV for new construction = Base MAV + (M-50 ratio (CPR) x exception value.

M-50 ratio (CPR) = Average MAV of unchanged property  
 Change property ratio = Average RMV of unchanged property

Exceptions include:

1. New property or new improvements on property
2. Subdivided or partitioned property
3. Rezoned and used consistently with the rezone
4. Omitted property
5. Disqualified from exemption, partial exemption or special assessment
6. Lot line adjustments require us to balance values (same value spread)

**New property or new improvement** means the net changes in Real Market Value resulting from:

1. New constructions, reconstruction, major addition, remodeling, renovation, or rehabilitation.
2. Siting, installation & rehabilitation of MH.
3. Addition of machinery fixtures, furnishing or other taxable real or personal property.

**DOES NOT INCLUDE**

1. General or ongoing maintenance or repair.
2. Minor Construction.

**MINOR CONSTRUCTION**

Minor Construction = Real property additions under \$10,000 in value per year up to \$25,000 cumulative additions over 5 years. These value changes affect Real Market Value but not Assessed Value (taxable value).

Example:

	04-05	05-06	06-07	07-08	08-09
Exception	\$5,000		\$7,000	\$9,000	\$4,500
Accumulative Exception			\$12,000	\$21,000	\$25,000
Assessability	Exempt		Exempt	Exempt	Taxable

The \$25,000 over a 5-year period would go on the roll for 2008-09

5 Consecutive years means that in 2009-10 you would add 2009-10 and drop 2004-05

Exceptions are based on RMV

**ASSESSED VALUE**

Assessed Value = Lesser of MAV or RMV or M-5 values, so real market value can go down but as long as it is above the MAV, the Assessed Value will increase by 3%

**APPEALS:**

**Q: WHAT CAN I DO IF I DO NOT AGREE WITH THE VALUE THE ASSESSOR ESTABLISHES?**

**A:** You may appeal to the Board of Property Tax Appeals (BOPTA) each year, no later than December 31, the current real market value and/or specially assessed value, BUT the maximum assessed value can ONLY be appealed if an exception (some change to the property described earlier) was calculated in the current year.

- If you are considering an appeal, or need further information regarding the value, contact the Assessor's Office prior to filing an appeal. We have a wealth of information including assessment information, sales information and expert staff to help you.
- The Assessor has the authority to correct errors up to December 31, of each year without an appeal.
- Forms and information are available at the Assessor's Office or County Clerk's office.

**Remember, WE want your inventory and value to be as accurate as you do.**

If we don't agree with you and you end up appealing your value you can appeal to the BOPTA BOARD and on to the Magistrate, The Oregon Tax Court, the Oregon Supreme Court and the U.S. Supreme Court.

**Appeals must be filed in County Clerk's Office.**

**Note:** A value reduction will not necessarily mean a reduction in taxes UNLESS the appealed value is reduced below the Assessed Value (AV), except in situations such as new construction and remodeling. If the appealed value is lowered below the AV, then the AV will be reduced, taxes decreased and a refund made.

THE FOLLOWING IS A PARTIAL LIST OF INFORMATIONAL CIRCULARS AVAILABLE AT THE Jackson County Dept of Assessment or on line at the Oregon Department of Revenue WEB site:

**[www.dor.state.or.us](http://www.dor.state.or.us)**

- ✓ Assessment of Farmland in an Exclusive Farm-use Zone
- ✓ Assessment of Farmland not in an Exclusive Farm-use Zone
- ✓ Deferral of Special Assessments
- ✓ Mobile Homes Assessment and Taxation
- ✓ Oregon's New Assessment Unit
- ✓ Oregon's Forest Tax Programs
- ✓ Property Tax Payment Procedure
- ✓ Property Value Appeal Procedure
- ✓ Real Property Foreclosure
- ✓ Sale of Tax-Foreclosed Property
- ✓ Senior Citizen's Property Tax Deferral
- ✓ Veteran's Property Tax Exemption

APPRAISER \_\_\_\_\_

TELEPHONE \_\_\_\_\_

EXPLANATION \_\_\_\_\_

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