

Frequently Asked Questions (FAQ's)

General Information

Q: How is property valued?

A: The Assessor assigns a Real Market Value (RMV) to every property in the county. With the implementation of Measure 50 there is no longer a preestablished cycle for reappraisal. Statistical indicators from a variety of sources, including information derived from sales verifications, provide the basis for changes made to various market areas throughout the county. However, properties that have changed and new construction are appraised for the appropriate assessment year to reflect the changes.

Q: What value do I pay taxes on?

A: Your taxes are calculated on the Assessed Value (AV) of your property. The AV is the lower of the RMV and the Maximum Assessed Value (MAV).

Q: How are my taxes calculated?

A: Property taxes are based on a tax rate per \$1,000 of assessed value. The rate is comprised of several different taxing districts that vary depending on the location of your property. Each district has an individual tax rate and the consolidated tax rate combines the rates for the various taxing districts in that area.

Q: Why do I have improvements on my tax statement when I have made none to my property?

A: Improvements are houses, garages, sheds, fences and other types of structures.

Q: Why did I get two tax statements when I only have one piece of property?

A: Your property is in two different code areas and has been split for tax purposes only. Part of your property may be in a fire district, within city limits or even different school districts. A comparison of the two statements will show the different districts in which your property is located.

Q: How do I change my mailing address?

A: Address changes must be made in writing and signed by the owner of record. You may call the office at (541) 440-4222 and request an address change form, print one from our website or put all pertinent information in a letter and mail to our office.

Q: You have the incorrect situs address on my account. How can I get it changed?

A: The situs address is assigned by the Planning Dept. Please contact them at (541) 440-4289 for assistance.

Exemptions

Q: What are exemptions?

A: Oregon laws provide for a variety of property tax exemptions for both qualifying individuals and certain organizations. Each type of exemption has specific qualifications.

Property tax exemptions are not automatic. Application for exemption must be made between January 1 and April 1 or April 15 of the year for which the exemption is being requested, depending on the type of exemption requested.

Q: Who qualifies for a **Veteran's Exemption**?

A: If you are a veteran with a 40% disability, or the surviving spouse of a veteran, you may qualify for this exemption. If you are a qualifying veteran or a surviving spouse and live in your home, you may apply for and receive the exemption. Application must be made no later than April 1 of the year for which the exemption is being requested.

For further information please contact the Assessor's office at (541) 440-4222.

Q: Who is a veteran?

A: A veteran must have been a member of the United States armed forces who was discharged or released under honorable conditions. In addition, the veteran must meet one of these requirements:

❖ The period of service was for at least 90 consecutive days during any of the following periods:

Between April 6, 1917 and November 11, 1918.

Between November 12, 1918 and April 1, 1920, if w/U.S. military in Russia.

Between November 12, 1918 and July 2, 1921, if at least one day between April 6, 1917 and November 11, 1918 was served.

Between September 15, 1940 and December 31, 1946.

From December 7, 1941 to August 15, 1945 if you were an American merchant marine ocean-going service.

Between June 25, 1950 and midnight January 31, 1955.

OR:

- ❖ Served in the armed forces for at least 210 consecutive days. Some of this 210-day period must have been served after January 31, 1955.

OR:

- ❖ The service member was discharged or released under honorable conditions because of a service-connected injury or illness before completion of the minimum service period described in the points listed above.

- ❖ Attendance at a school under military orders before active enlistment or regular tour of duty is not considered active service. Normal military training for duty as a reservist or member of a National Guard unit is not considered active service for this exemption.

Q: What is a property tax deferral?

A: The Oregon Legislature set up programs that allow qualifying property owners to delay paying property taxes on their residences, including manufactured homes, houseboats, multifamily, and income-producing properties.

If you qualify for one of the deferral programs, the state will pay your property taxes to the county. A lien will be placed on your property. You will be charged lien recording fees, which are deferred. Interest on the deferred taxes, at 6 percent per year, is also deferred.

The taxes must be paid, with interest, when the owner dies or sells the property, moves or changes ownership.

Q: What deferral programs may I apply for?

A: There are two deferral programs, one of which you may qualify for.

The **disabled citizen's deferral** is for Oregon homeowners, under the age of 62, who are collecting federal Social Security benefits. The **senior citizens' deferral** is for Oregon homeowners, over the age of 62.

- ❖ Either husband or wife may apply, or both may apply jointly.
- ❖ Two or more people (other than a married couple) may apply for deferral as joint owners.

- ❖ You may apply for a deferral if you have a veteran's exemption and still have property taxes to pay.
- ❖ You may be living away from the property due to medical reasons. In this case you must send a medical statement to the Oregon Department of Revenue (DOR). It must be on letterhead from your health care provider.

Q: How do I qualify for one of these deferral programs?

A: To qualify for either deferral program, your total household income must be less than **\$34,000** for the preceding year. Household income includes both taxable and nontaxable income, including Social Security and pensions. The income limit may change each year.

You must have a recorded deed to the property or you must be buying the property under a recorded sales contract. You may have a revocable trust.

You are **not** eligible for a deferral if you have a life estate in the property.

For the **Disabled Citizens' Property Tax Deferral**, you must be receiving federal Social Security disability benefits on December 31 of the year before you apply. **You must send a copy of your federal Social Security award letter with your deferral application.**

For the **Senior Citizens' Property Tax Deferral**, you must be at least 62 years old by April 15 of the year you apply.

Q: How do I apply for a deferral?

A: Please contact the Assessor's office at (541) 440-4222 for the necessary applications and any additional information you may need.

Q: Does a non-profit organization have to pay property taxes?

A: Qualifying non-profit organizations may have their property taxes cancelled. The most common qualifying entities are: religious, fraternal, literary, benevolent, or charitable organizations and scientific institutions.

Property for which an exemption is requested must be actively occupied and used by the organization in a way that furthers its stated purpose. The property must also be reasonably necessary. Any portion of the property that does not meet these criteria is subject to assessment and taxation the same as all other taxable property.

Exemption is not automatic. An application must be filed with the Assessor between January 1 and April 1.

Certain leased property, real and personal, may also qualify for exemption.

Contact the Assessor's office at (541) 440-4222 for filing procedures.

Q: Can a non-profit organization get an exemption on a bare piece of land to be used as a future building site?

A: No. The land must be in use, or groundwork started, by June 30 of the year applied for.

Q: We will be buying or leasing property after the April 1 filing deadline, can we still get an exemption?

A: If the start date is **before July 1** you have 30 days from the start/sign date to apply for exemption.

Cartography

The Cartography Department of the Assessor's office is the record keeper for the ownership of all property in Douglas County, the plat map maintenance of those ownership boundaries and the taxing districts they are located in.

Q: What do I need to do to add my new married name to my tax account?

A: You can record a deed from yourself (old last name) to yourself (new last name); or You can fill out an owner request form from our office and we will add your new last name to account. However, we will also show your previous last name, as that was the name used at the time the property was acquired.

Q: My spouse is deceased and I need to remove his (her) name from my tax account.

A: To remove a deceased person's name from your account, that person must have held title with someone else with the right of survivorship. The death certificate must be recorded with the County Clerk's Office.

Q: How does ownership change?

A: Ownership is generally changed via a document recorded with the County Clerk's office. We receive copies of those recordings and identify the property being transferred from the legal description on the deed and check the title of record with the new document. Allow approximately four weeks for changes to appear in our records.

Ownership can also be changed through a court action:

Divorce - bring in or mail a copy of the Final Decree and if applicable the Property Settlement Agreement.

Probate - bring in or mail a copy of the Final Decree of Distribution.

Small Estates - bring in or mail a copy of the Affidavit or Heirship and the death certificate.

Lawsuit - bring in or mail a copy of the Final Decree, Order or Judgment, signed by the judge.

Q: Why did the ownership change on my real property account and not the mobile home account?

A: Mobile home ownership is changed via notification from DCB(Dept of Consumer &Business.

Q: I filed a boundary line adjustment survey. Why doesn't the map reflect it?

A: We do not automatically work surveys that are filed with the Surveyor's office. Once you have filed the survey, you need to fill out an owner request form in order for us to process the boundary adjustment.

Q: Why doesn't the Planning Dept. recognize my tax lot as a buildable lot?

A: Our tax lots are based on ownership and mapping and are not necessarily a legal lot of record.

Q: Why is the road leading to my property not shown on your map? It has a name on it.

A: It is probably only an easement and we do not generally show easements on our maps.

Farm / Forestland

Q: What are Farm and Forestland assessments?

A: Some properties are eligible for reduced assessments through either farm use special assessment or forest special assessment. The guidelines for qualifying for

farmland are influenced by zoning. Properties in an Exclusive Farm Use (EFU) zone must be farmed with intent to make a profit. If these properties are employed in a farm activity, and there are annual sales of commodities, the properties may qualify for farm use special assessment. Properties zoned other than EFU can also qualify for farm assessment using the same guidelines, with two important differences. There are specific sales levels required and the operator must file an IRS Schedule F. Sales volumes must be confirmed by the IRS Schedule F or Farm Schedule and said form must be supplied to our office on request. Non-zoned properties must prove that they have met the farm income level 3 of the past 5 years before they are eligible for farm use special assessment. Property in an EFU zone must have been farmed the prior year to be eligible for special assessment.

Property can also receive a Western Forest Special assessment and this assessment can be granted in any zone that does not prohibit logging. Forestland is identified as being held or used for the predominant purpose of growing and harvesting trees of a marketable species. The property must have at least two acres stocked with at least 200 growing conifer trees per acre. Properties can also qualify based on a formal reforestation plan.

If a property is removed from one of these special assessment programs, a disqualification penalty will be calculated and may be collected. The penalty is basically a 5 year recovery of the tax savings received by being under special assessment. Farm special assessed properties in an EFU zone are subject to a disqualification penalty of up to 10 years.

Specific questions regarding these programs should be directed to (541) 440-4222.

Q: What is the difference between the RMV and the AV?

A: The RMV is the Assessor's determination of the real market value of your property. If your property is receiving special use, only the specially assessed land value is added into the RMV, not the actual market value of the land receiving special use. For the actual RMV add the Improvements + Land + Land Spec. Mkt.

The AV is the value used to calculate your taxes. Typically it is the 1995 RMV minus 10% that became the 1997 Measure 50 (M50) assessed value. Each year this amount is subject to a 3% increase, plus any exception value that arises from changes to your property improvements.

Q: What is the Potential Additional Tax flag that appears on some properties?

A: This flag is placed on properties with billed liens, properties in foreclosure or bankruptcy, and properties that have been removed from special use.

When a change of use occurs, due to removal from special assessment use by owner request or from lack of use, the property is either billed for the use change or the Potential Additional Tax flag is added to the account. A property with the Potential Additional Tax flag will retain the flag until the lien is paid or the property requalifies for special use. If the property qualifies for special use it will begin 'working' off the lien. The liens are calculated for either 5 or 10 years depending on the zoning.

Q: What does Potential Tax Liability mean?

A: This statement identifies all properties that are receiving a special assessment on their land, farm or forest. The flag informs the owner that if the land use changes from special use there is the possibility of an additional tax to the property. This notation is also helpful to title companies, realtors and potential buyers. (in some cases, properties could be flagged for some sewer liens or road district liens)

Residential Property

Q: How is residential property appraised?

A: Residential and rural properties are appraised under a mass appraisal system that conform to State laws and Administrative Rules. Values based on market sales are established for each property, as well as a reduced Measure 50 (M50) value. That value, called the Maximum Assessed Value (MAV), is the 1995-96 tax year value less 10%. That value may not increase more than 3% each year.

Residential and rural properties are appraised using a market related cost approach. Sales of properties within a given market area, or an area of similar properties, are compiled and analyzed to develop the data used to appraise all similar properties within that given area.

Once these values are established, they are monitored yearly using sales that occur within these areas by comparing those sales prices to their Real Market Value (RMV). If the average property sales price is higher than the RMV, the properties in that area are adjusted to reflect the change in the market.

Q: I recently purchased my "new" house and there is no improvement value on my tax statement. Why not?

A: Construction on your "new" home probably began after January 1. Because January 1 is the assessment we cannot tax you for property that was not in existence on that date. That portion of your house that is complete on January 1 of the next year will appear on your next tax statement.

Q: You have valued my house for more than it cost me to build it; why is that?

A: Cost and value are not always the same thing. Our conclusion of RMV is based on what the property would sell for in an open market transaction. Not everyone can build their own home; those who can benefit from not paying labor costs and see this savings reflected in the sales price of their property.

Q: I'm going to build a new garage/carport or add concrete/blacktop to my property? What will my taxes be?

A: If the Assessor's RMV for the new addition is less than \$10,000 the value will be added to your RMV only. Under the M50 guidelines you will not be assessed or taxed for additions under \$10,000 unless they fall under the 5 year \$25,000 category.

Q: Which is less expensive, blacktop or concrete?

A: Blacktop is approximately half the value of concrete.

Q: Are portable buildings and garden sheds taxable?

A: Yes, both are taxable.

Q: I didn't need a permit for my swimming pool, is it taxable?

A: Yes. All inground gunite, fiberglass and vinyl lined pools are taxable. A building permit is not required for the actual pool itself. However, electrical and mechanical permits are required. Since many property owners do not obtain the required permits, it is typically upon discovery that most pools are added to the assessment roll.

All outdoor pools receive a 50% seasonal use discount.

Above ground pools are not taxable, but extensive wood decking or concrete may be.

Q: I need an appraisal to get a loan, can you do that for me?

A: No. You must contact an independent fee appraiser for your loan appraisal.

Q: Do I have to let an appraiser on my property?

A: No you do not. However, without a physical appraisal we will use the best information available to us and the resulting RMV may not be a true reflection of your property.

Q: Why are my neighbor's taxes lower than mine?

A: There are a variety of reasons for the differences in taxes and they vary from property to property. There may exemptions or special assessments involved. Value differences may also result due to quality of construction, location, building size, number of outbuildings, zoning, etc.

Q: Will you review my property value without an appeal being filed?

A: Yes. Appraiser field inspections are usually made between January 1 and June 30. Reviews may be requested during this time but values will reflect the condition of the property as of the January 1 assessment date.

ORS 308.204 allows the Assessor to make changes to reduce values in the fall after values have been certified on September 25. Receipt of the fall tax statement is typically why a property owner requests a value review. Before an action can be taken, a Value Modification Review Request form needs to be filed with the Assessor explaining the reason for the review. If the property owner is not satisfied with the Assessor's recommendation, an appeal may be filed with the Board of Property Tax Appeals (BOPTA) by December 31.

Q: Why am I not being taxed on my sales price?

A: First, our assessments are based upon a "mass" appraisal system; one sale does not set the market. Second, conditions of the sale and whether it was an arms length transaction are also factors to be considered.

Q: If I find an error in the square footage of my house or the acreage of my property can a correction be made?

A: Yes. You must file an application with the Assessor and provide documentation of the error.

Personal Property

Q: What is personal property?

A: Taxable personal property includes machinery, equipment, furniture, etc. held for use in a business. This includes any property being used in a business, property not currently being used, in storage, or held for sale.

Q: How is personal property appraised?

A: The Assessor is responsible for the valuation of all taxable personal property. To assist the Assessor in this process each individual, partnership, firm or corporation that has taxable personal property must file a return listing all property in their possession or control by March 1 each year. Oregon law requires that personal property be valued at 100% of its real market value (RMV) and that it be taxed in the county that it was located in on January 1.

Q: I received a Confidential Personal Property Return in the mail, how do I complete it?

A: If you have filed a return in prior years we have included with your form an asset list and addition/deletion page. Review the asset list for changes and note all changes on the addition/deletion page; if there no changes please write "None" or "No Change" in each section. If you have an asset list you do not need to re-list your property on Schedule 5.

Complete Schedules 1 through 4 and the Taxpayer's Declaration. Verify your property location and make any changes to name and mailing address in the box with your pre-printed name and address.

Return the completed form, asset list and addition/deletion page to our office.

If you are filing for the first time you must complete the entire form. This includes all schedules, property location, date business began in the county and the Taxpayer's Declaration. You must provided a complete and itemized list on Schedule 5 and you may not use vague descriptions like "Furniture," "Equipment," or "Misc."

Q: We have incorporated since our last filing and the assets do not belong to the corporation, do we still have to report them?

A: Yes, you do. You must report all property used in conjunction with the business, whether owned, leased, rented, borrowed or brought from home. Leased and rented property should be reported on Schedule 1 and all property on Schedule 5.

Q: Why don't you lower the values on my asset list?

A: The asset list does not contain values. The list is simply a convenience for you so you do not have to re-list your Schedule 5 property each year. It contains only the information that you would supply on Schedule 5; description, identification, model year, acquisition date, quantity and cost.

Q: I didn't receive a form, does that mean I don't have to file one?

A: No. We mail forms to all known businesses the end of December. However, failure to receive one doesn't mean you don't have to file. You may print a form from our website (See the Forms section), come in to our office a pick one up or call and ask that one be mailed to you.

Q: I'm not in business anymore, do I still have to file a return?

A: Yes you do. You must tell us when you closed the business and what you did with the property. If you sold it you need to provide the name and mailing address of the buyer. If you have stored the property, are holding it for sale, or have converted it to personal use, you must advise us of the status on January 1.

Q: I sold my business but you still sent me the form. What do I do with it?

A: You need to notify our office regarding the sale. Complete the section of the form pertaining to a sold business and the Taxpayer's Declaration and mail the return back to us. We will send a new form to the new owner.

If you choose to give your form and asset list to the new owner to file, you must still notify us of the sale. You cannot assume that the new owner will file the form.

If you sold your business after January 1 you are responsible for filing the return for that tax year. Provide the sales information as above and we will change our records to reflect the change in ownership for the next assessment date. The tax statement will be sent to the owner as of January 1.

Q: Why was my form sent back to me marked "Incomplete?"

A: You failed to provide all the required information. Along with your form is a letter explaining the deficiencies in your filing and what you need to do to correct them. You need to make the changes and get the form back to us as soon as possible.

Q: My form was filed before the March 1 deadline and was returned as "Incomplete"; if I cannot get it back before the deadline is it considered late?

A: Yes. For a return to be considered timely filed it must be properly completed. Incomplete returns are not considered filings and all returns filed after March 1 will receive a penalty.

Q: How much is the late penalty?

A: The penalty is a percentage of the tax and is determined by the lateness of the filing. Returns filed after March 1 and on or before June 1 are subject to a 5% penalty; after June 1 and on or before August 1 the penalty is 25%; and after August 1 the penalty is 50%. If you do not file a return you will receive a 50% penalty.

Q: I am a new owner or a new business and knew nothing about filing personal property. Can't you waive the late penalty just this one time?

A: No. Oregon law does not allow the Assessor to waive a late penalty. That can be done only the Board of Property Tax Appeals. You may appeal your penalty to them after you receive your tax statement in the fall and before December 31.

Q: We are an exempt organization, why do we have to file a personal property return?

A: You must report all leased or rented personal property in your possession on January 1. Leased or rented property is not automatically exempt, an application for exemption must be filed with our office and certain criteria must be met.

Q: We are a non-profit organization, why are we paying taxes on our personal property?

A: Exempt status is not automatically granted, you must make application with our office and meet certain criteria. If an exemption is granted it is for owned property only, you still have to report leased or rented property and make separate application for that property.