

**Priority:** Accountability **Lead Agency:** County Management  
**Program Offer Type:** Existing Operating **Program Contact:** Kathy Tuneberg  
**Related Programs:** 72020, 72021, 72027, 72028, 72029, 72030

**Program Characteristics:**

**Executive Summary**

The Property Assessment-Special Programs section is responsible for processing all applications for property tax exemption or special assessment and monitoring properties for continued qualification for exemption or special assessment.

**Program Description**

This program processes over 6,000 applications annually for the Disabled Veteran's and Widows Property Tax Exemption, and has begun receiving applications for the new Active Military Exemption. The program is responsible for over 10,000 accounts with full or partial charitable, fraternal, religious, and other types of exemptions. The program is responsible for specially assessed properties including farm, forest, historic, and numerous other specially assessed programs mandated by law. Questionnaires are mailed and examined to verify continued qualification for reduced assessment of farm land. Ownership records are monitored to identify exempt accounts sold to non-exempt owners. This section monitors leasehold records to maintain accurate taxable values on over 400 accounts where non-exempt tenants lease from exempt government agencies. This program performs 500 to 1000 field inspections in performing its compliance activities. Program staff calculates and redistributes Maximum Assessed Values in compliance with Measure 50 tax limitation requirements for thousands of new properties created each year by subdivisions, new condominiums and consolidation of accounts. This program contributes to the process to arrive at the total taxable assessed value upon which taxes are calculated and levied for the benefit of all Multnomah County taxing districts.

**Program Justification**

This program contributes to the Accountability Priority by insuring that exempt and specially assessed property is accurately and fairly assessed as required by the Oregon Revised Statutes. Maintaining accurate Real Market Values on all property relates to the bonding capacity and general obligation bond tax rates for all applicable taxing districts in the County. This program contributes to all other County priorities by ensuring that all exempt and specially assessed property is valued in accordance with the law, which maximizes property tax revenues to fund programs. Failure to monitor this process will result in loss of taxable assessed value. Focus is on compliance monitoring of existing exemptions, careful review of new applications, and resolving appeals. Accurate values maximize the level of tax assessment allowed under Measure 5 and Measure 50 tax limitation measures.

**Performance Measures**

Measure Type	Primary Measure	Previous Year Actual (FY04-05)	Current Year Purchased (FY05-06)	Current Year Estimate (FY05-06)	Next Year Offer (FY06-07)
Output	Exempt Accounts Annually Reviewed for Compliance	875	1,100	1,100	1,200
Outcome	% of Accounts Reviewed Placed Back on the Tax Roll	20%	20%	20%	20%
Outcome	Taxable Market Value Re-established to the Roll	246,048,540	250,000,000	250,000,000	250,000,000
Input	Total Exempt Accounts Monitored	33,235	33,500	33,500	33,500

**Performance Measure - Description**

## Legal/Contractual Obligation

Oregon Revised Statutes Chapters 92,205,294,305,306,307,308, 308A,309 310 and 321 and related Oregon Administrative Rules regulate virtually all aspects of the assessment and property tax calculation process. ORS 306.115 assigns statewide general supervision of the property tax system to the Oregon Dept. of Revenue (DOR). The DOR determines the acceptable level of Assessment & Taxation staffing. They have determined that the A&T divisions are already at the minimally acceptable staffing level needed to perform its function. Any reduction to this program may jeopardize the "County Assessment Function Funding Account" (CAFFA) grant revenue.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
	2006	2006	2007	2007
<b>Program Expenses</b>				
Personnel	\$431,627	\$0	\$512,588	\$0
Materials & Supplies	\$5,800	\$0	\$5,950	\$0
Internal Services	\$76,235	\$0	\$83,740	\$0
Subtotal: Direct Exps:	<b>\$513,662</b>	<b>\$0</b>	<b>\$602,278</b>	<b>\$0</b>
Administration	\$0	\$0	\$44,828	\$419
Program Support	\$0	\$0	\$175,506	\$0
Subtotal: Other Exps:	<b>\$0</b>	<b>\$0</b>	<b>\$220,334</b>	<b>\$419</b>
Total GF/non-GF:	<b>\$513,662</b>	<b>\$0</b>	<b>\$822,612</b>	<b>\$419</b>
Program Total:	<b>\$513,662</b>		<b>\$823,031</b>	
Program FTE	0.00	0.00	7.00	0.00
<b>Program Revenues</b>				
Intergovernmental	\$100,000	\$0	\$100,000	\$0
Program Revenue for Admin	\$0	\$0	\$77,428	\$0
<b>Total Revenue:</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$177,428</b>	<b>\$0</b>

## Explanation of Revenues

Through participation in the State-funded (CAFFA) Grant approximately 35% of expenditures are reimbursed with the remaining support coming from the General Fund.

## Significant Program Changes

**Last year this program was:** #70017, Property Assessment- Special Programs (A&T)

This program was re-organized mid-year FY05 to consolidate similar processes into one area with the intent of promoting efficiency within the Appraisal Section. The exemption section was renamed Special Programs and now in addition to exemptions includes specially assessed properties such as farm, forest and low income housing. During the FY06 year, functions involving government leased property (see description above) were moved to this program. In addition, the exemption program is expanding to include the new Oregon Active Military Service Member's Exemption.