

# Property Taxes in Central Oregon

(as explained by Scot Langton, Deschutes County Assessor – October 2007)

There are at least two values on each property. Most properties have both an assessed value and a real market value.

“The real market value is what a willing buyer would pay a willing seller.

Each account also has a maximum assessed value, which I call a Measure 50 value”, Langton said.

“Measure 50, which created an amendment to the Oregon Constitution in 1997, deals with properties built in or before 1995 and that still exist today. The idea behind it was to keep property taxes from suddenly skyrocketing. Most people pay their property taxes based on the maximum assessed value, rather than the real market value.

The maximum assessed value uses the 1995 value minus 10%. Then each year the value can grow at a maximum of 3%. The value is adjusted when there is new construction on the property.

For the most part, the assessed value for people’s property ends up being 43% of the real market value.

So most people have a real market value that is much higher than the maximum assessed value. If the real market value is less than the maximum assessed value, then the real market value becomes the assessed value... When you’re looking at the typical residence or commercial property, very few fall into that category”, Langton said.

Note: You can see the exact property tax rates on my website at “Articles of Interest”, if you click “Property Tax Rates”, but on average, they are roughly about 1.5% of maximum assessed value per year. Because maximum assessed value is about 43% of real market value, property tax winds up being about 0.65% of real market value. This is relatively a low property tax rate when compared with many other areas of the country.

Bob Wienk