

Columbia County Property Assessment and Taxation
Examples of Measure 50/Measure 5 Inequities
By Sue Martin on July 11, 2012

In Columbia County, there are differences in property tax inequities in different areas of the county. Some of the causes of these inequities are:

1. Subdivisions developed prior to measure 50 compared to subdivisions developed after measure 50. (See Table 1)

2. Effect of Reappraisal after measure 50 on comparable homes in the same neighborhood:
 - During reappraisal, a home with typical maintenance and repair will result in a higher real market value than a home that has been neglected and in need of repair, neither of which will result in a change to the maximum assessed value. While these properties may have had the same RMV/AV ratio prior to the reappraisal, they will likely be different after the reappraisal. (See Table 2)

 - In the City of Saint Helens, reappraisals done in 1996 set the RMV for property, however, the MAV was based on the pre-appraisal year of 1995. These properties have had inequities since the beginning of Measure 50 due to differences in appraisal judgment, particularly on vacant land that was typically appraised as residual land if the adjacent improved lot was owned by the same property owner or appeared difficult to develop due to topography prior to the 1996 reappraisal. During the 1996 reappraisal, these lots were appraised with a highest and best use as separate buildable lots. (See Table 3)

3. Other limitations set by measure 50 that may cause inequity (tables for the following scenarios are not included):
 - Minor Exception is not added to the maximum assessed value. Minor exception includes any physical changes to a property that do not exceed \$10,000 value in one year or \$25,000 over five years (a property owner can add \$5,000 per year for 5 consecutive years, and since it does not total at least \$25,001, that value will never be added to the maximum assessed value).

 - General ongoing maintenance and repair (GOMAR) are not considered exceptions even though they improve the condition of the property and

therefore results in an increase in the real market value. A neighbor's property may not have done any maintenance and repair resulting in a decrease in real market value. Neither of these conditions would result in a change to the maximum assessed value of the properties.

- An appraiser may mistakenly class a house based on exterior features since the property owners often are not home or do not allow an interior inspection and are reluctant to give information. During the next reappraisal, an appraiser may actually get inside the residence and determine that the quality is either better or worse than the first appraiser estimated. Because there is no actual physical change to the property, the real market value will increase or decrease, however, the maximum assessed value will not change.
- One property owner may appeal his real market value to the Board of Property Tax Appeals and successfully have it reduced, however, a neighbor with a comparable property does not appeal, so no adjustment is made to his real market value. The maximum assessed value remains unchanged on both properties resulting in a larger discount for the owner that did not appeal, however, the property taxes actually remain the same.

The tables on the following pages use data from actual parcels and although it is public information, the actual identification of each parcel has been removed to respect the privacy of the owners.

Table 1

Bella Vista Subdivision in Scappoose. Developed in 1977. MAV established in 1997.						
Property	RMV	AV	M50 Discount	2011 Taxes	M5* Discount	Total Discount
Parcel 1	180,940	180,940	0%	2,739.11	3%	3%
Parcel 2	165,910	165,910	0%	2,511.58	3%	3%
Parcel 3	217,880	217,880	0%	3,298.34	3%	3%
Parcel 4	178,750	178,750	0%	2,705.99	3%	3%
Westview Subdivision in Scappoose. Developed in 2003. MAV established in 2003 with CPR of .789						
Property	RMV	AV	M50 Discount	2011 Taxes	M5* Discount	Total Discount
Parcel 5	157,590	138,640	12%	2,155.49	0%	12%
Parcel 6	165,080	145,380	12%	2,260.28	0%	12%
Parcel 7	167,540	147,610	12%	2,294.94	0%	12%
Parcel 8	165,080	145,280	12%	2,258.71	0%	12%

*M5 Discount due to compression

Table 2

River View Terrace Subdivision in Rainier. 2010 Values (Prior to reappraisal)						
Property	RMV	AV	M50 Discount	2010 Taxes	M5* Discount	Total Discount
Parcel 1	265,070	209,230	21%	3,975.53	0%	21%
Parcel 2	155,370	120,560	22%	2,290.72	0%	22%
Parcel 3	181,920	142,520	22%	2,707.97	0%	22%
Parcel 4	157,590	122,540	22%	2,328.34	0%	22%
River View Terrace Subdivision (same properties). 2011 Reappraised Values.						
Property	RMV	AV	M50 Discount	2011 Taxes	M5* Discount	Total Discount
Parcel 1	195,610	195,610	0%	3,471.91	7%	7%
Parcel 2	144,660	124,170	14%	2,374.11	0%	14%
Parcel 3	155,420	146,800	6%	2,716.49	3%	9%
Parcel 4	163,080	126,210	23%	2,413.08	0%	23%

*M5 Discount due to compression

Table 3

Saint Helens Vacant Lots Reappraised in 1996. MAV based on 1995 value less 10%.						
Property	RMV	AV	M50 Discount	2011 Taxes	M5* Discount	Total Discount
Parcel 1	12,440	1,980	84%	29.42	0%	84%
Parcel 2	166,400	49,110	70%	730.02	0%	70%
Parcel 3	32,790	3,460	89%	51.43	0%	89%
Parcel 4	12,430	960	92%	14.29	0%	92%
Ridgcrest Planned Community Development subdivided in 2004. MAV based on 2004 CPR of .793.						
Property	RMV	AV	M50 Discount	2011 Taxes	M5* Discount	Total Discount
Parcel 1	27,950	27,950	0%	402.47	3%	3%
Parcel 2	37,670	37,670	0%	542.43	3%	3%
Parcel 3	40,780	40,780	0%	587.20	3%	3%
Parcel 4	37,670	37,670	0%	542.43	3%	3%

M5 Discount due to compression