Fiscal Year 2024-25

Oregon Property Tax Statistics

Fiscal year 2024-25

150-303-405 (Rev. 08-25)

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Oregon Property Tax Statistics

Fiscal Year 2024-25

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Introduction

Oregon's property tax is one of the most important sources of revenue for the public sector in Oregon, raising $9.54 billion for local governments in Fiscal Year (FY) 2024–25. Only state personal income tax collections exceed property tax collections as a single source of state and local tax revenue.

This publication describes Oregon's property tax system through the presentation of statistical information. It presents assessed values, market values, and taxes imposed by county and type of taxing district. The publication contains a brief overview of Oregon's property tax system since 1990. The report contains the following sections:

- *Highlights:* This section illustrates distinguishing features of FY 2024–25 and recent trends in Oregon's property tax system.
- *Basic Property Tax Concepts in Historical Context:* This section briefly describes the property tax system in Oregon, including a history of significant changes.
- *How the Property Tax System Works:* This section explains the steps of the property tax process in Oregon.
- *Appendix:* This final section contains a glossary of the terms used in the publication.

The information in this publication is presented primarily by county or district type. Property values reported within this publication are based on a January 1 assessment date prior to the fiscal year reported. For example, values reported for FY 2024–25 refer to value that existed as of January 1, 2024.[1] Tax imposed for FY 2024–25 refers to the tax bills sent out in October 2024. Additional information about property taxes is available in other Department of Revenue publications:

- *Detailed Tables:* Previously included as part of this report, these tables contain information on property values and taxes imposed, by both county and type of district. Taxes collected and uncollected by county are also included.
- *Oregon Property Tax Statistics Supplement, Fiscal Year 2024-25* provides extensive detail on property taxes and assessed values at the taxing district level, property class information, and city-level data on property tax rates.
- *A Brief History of Oregon Property Taxation* discusses the history of property taxation, with a focus on major changes that happened during the 1990s.
- The *State of Oregon 2025–2027 Tax Expenditure Report* contains detailed information about property tax exemptions.

These reports are available on the Oregon Department of Revenue website: www.oregon.gov/dor/stats.

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[1] See Section IV (4) "Tax Collection" for more information on the annual calendar of dates used in the assessment process.

The total real market value of taxable property in Oregon in FY 2024–25 was almost $1.039 trillion,[2] an increase of 1.56 percent from the previous year. Exhibit 1a provides an overview of total assessed value (AV) and the real market value (RMV)[3] of taxable property in Oregon. Exhibit 1b provides an overview of property taxes imposed for fiscal years 2023–24 and 2024–25. Total assessed value, the property value subject to tax, grew by 3.8 percent in FY 2024–25 to a total of $547 billion.[4] Property taxes imposed in Oregon totaled $9.54 billion in FY 2024–25, a growth of 4.3 percent from FY 2023-24. Since FY 1997-98, the first fiscal year following implementation of Measure 50, annual growth in property taxes imposed has averaged 5.1 percent per year.

Exhibit 1a—Oregon Property Values

Type of Value	FY 2023-24 (dollars in millions)	FY 2024-25 (dollars in millions)	Percent Change
Total Real Market Value	1,023,232	1,039,406	1.6%
Total Assessed Value	527,118	547,168	3.8%
Total Net Assessed Value	511,899	532,526	4.0%

Exhibit 1b—Oregon Property Taxes Imposed

Type of Taxes	FY 2023-24 (dollars in millions)	FY 2024-25 (dollars in millions)	Percent Change
Operating Taxes*	7,525	7,890	4.9%
Bond Taxes	1,382	1,429	3.4%
Urban Renewal Taxes**	238	220	-7.5%
Total All Taxes	**9,145**	**9,540**	**4.3%**

Note: For a discussion of the terms please refer to Section 3, Basic Tax Concepts in Historical Context or the glossary.

*Operating taxes are property taxes from the permanent, local option, and gap bond rates that are used to fund the general operating budgets of taxing districts, and generally subject to Measure 5 limits.

**Urban renewal taxes include property tax revenue from tax increment financing and special levies.

Assessed value of residential property represents more than half of all assessed property value (51 percent). When tract property, which is property available for residential development, is included, this increases to 60 percent of all assessed property value. The three Portland metropolitan area counties (Clackamas, Multnomah, and Washington) contain 54 percent of the residential property value in Oregon and property taxes within these counties account for

[2] This reflects property values as of January 1, 2024 and does not include value of properties exempt from taxation.
[3] Only the taxable portion of properties are included in the total real market value reported here. Data comes from county reporting on the Measure 5 Value (M5V) of all assessed property. M5V is the property value to which Measure 5 tax rate limits are applied. For properties that are not partially or fully exempt or specially assessed, M5V is equal to Real Market Value (RMV).
[4] See subsection "Measure 50" on page 12 for a description of taxable assessed and real market values.

54 percent of the total tax imposed across the state. Properties in cities make up 66 percent of statewide assessed value and 73.4 percent of total property tax extended.

Statewide, the ratio of assessed value to real market value slightly increased from 0.515 in FY 2023–24 to 0.526 in FY 2024–25. An increasing AV/RMV ratio means that actual property value is growing slower than assessed values compared to the previous year; growth in assessed values are generally capped at 3 percent per year for existing properties. Exhibit 7 on page 10 shows the trend for real market value of taxable property and assessed value.

There were 1,221 districts that imposed property taxes in Oregon in FY 2024–25. Exhibit 2a illustrates the relative share of property taxes that each type of district imposes, with K-12 schools and Education Service Districts (ESDs) receiving the largest share (41 percent of the total). Cities (21 percent), counties (17 percent), and community colleges (4 percent) are the next largest district categories. All other special districts, such as fire, road, library, water, hospital, and park districts represent the largest number of districts, but impose only 15 percent of the taxes. The share of taxes by district type has been stable over time.

Exhibit 2a—FY 2024-2025 Property Taxes Imposed by Type of District*

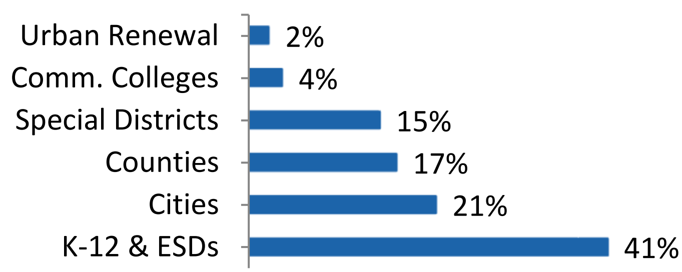
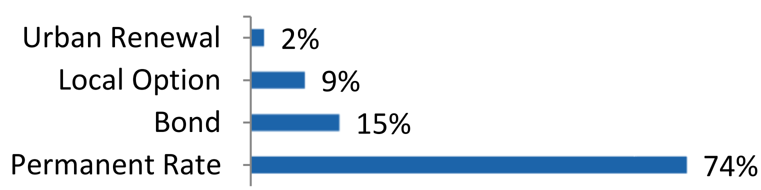


Exhibit 2b shows the four primary types of property tax levies, by the share of revenue they raise: 1) permanent rates,[5] 2) bond levies, 3) local option levies (also called local option taxes), and 4) urban renewal revenues. Property taxes from permanent rates are the most significant portion of property taxes, representing 74 percent of all property taxes imposed.

Exhibit 2b—FY 2024-25 Property Taxes Imposed by Type of Tax*



*Percentages may not add up to 100%, as they are rounded to the nearest percent.

[5] For simplicity, we include the only remaining gap bond - the Portland pension levy - with the permanent rates in the Highlights section. See Section IV (2) for more information on gap bond levies.

Compression, the process of reducing the property tax owed on an individual property due to rate limitations created by Measure 5 (1990), reduces the amount of tax imposed in the state. Taxes are categorized as school or as general government with different limits imposed for each. In FY 2024–25, compression reduced total taxes owed by $189 million. Measure 5 compression is best measured as a percentage of taxes that would have otherwise been collected (tax extended) if not for the Measure 5 rate limitations.[6] Statewide compression as a percentage of tax extended for districts subject to the Measure 5 rate limitations (excluding urban renewal) was 1.9 percent for FY 2024–25, slightly decreased from the 2.0 percent in FY 2023–24.

Properties in cities account for 88.6 percent of taxes compressed statewide in FY 2024–25. This relatively larger portion of compression in cities is due to general government compression. Over 99.5 percent of general government compression is within cities because the addition of city levies is often enough to bring individual properties above the general government tax limit of $10 per thousand dollars of real market value. In addition, urban renewal division of tax moves taxes that would have been subject to the school tax limit of $5 per thousand dollars of real market value into the general government category. Nine districts, mostly cities and school districts, had over 10 percent of their extended tax amounts subject to the Measure 5 limitations compressed in FY 2024–25, and Four districts had more than 20 percent compressed.

Exhibit 3 presents a composition of taxes by type of taxing district for FY 2023–24 and FY 2024–25. It is worth noting that statewide figures presented here result from a wide range of individual district characteristics. For example, when large taxing districts have substantial changes in their tax levies, they can noticeably impact the statewide totals. The largest 25 districts by total assessed value accounted for about 33 percent of all property taxes imposed (excluding urban renewal) in FY 2024–25. Detailed data about specific taxing districts, including the assessed and real market value of taxable property within a district, the types of levies used by districts, and division of tax for urban renewal plan areas are available in the Oregon Property Tax Statistics Supplement on the Oregon Department of Revenue website: www.oregon.gov/dor/stats.

[6] See subsection “Determination of Tax and Compression” on page 22 for more information on how compression is calculated.

Exhibit 3—Type of Property Taxes Imposed by Type of District, FY 2023-24 and FY 2024-25

Permanent Rate

Type of District	FY 2023-24 (dollars in millions)	FY 2024-25 (dollars in millions)	Percent Change
Counties	1,286	1,335	3.8%
Cities	1,617	1,706	5.5%
K-12 & ESDs	2,550	2,650	3.9%
Community Colleges	232	241	4.1%
Special Districts	1,032	1,083	4.9%
Total Permanent Rate Taxes	**6,718**	**7,015**	**4.4%**

Local Option

Type of District	FY 2023-24 (dollars in millions)	FY 2024-25 (dollars in millions)	Percent Change
Counties	193	200	3.7%
Cities	176	202	15.1%
K-12 & ESDs	283	285	0.5%
Community Colleges	0	0	N/A
Special Districts	155	188	21.4%
Total Local Option Taxes	**807**	**875**	**8.5%**

Bond

Type of District	FY 2023-24 (dollars in millions)	FY 2024-25 (dollars in millions)	Percent Change
Counties	72	70	-2.9%
Cities	112	124	11.0%
K-12 & ESDs	934	957	2.5%
Community Colleges	118	125	5.4%
Special Districts	146	153	4.7%
Total Bond Taxes	**1,382**	**1,429**	**3.4%**

Total with Urban Renewal Agencies

Type of District	FY 2023-24 (dollars in millions)	FY 2024-25 (dollars in millions)	Percent Change
Counties	1,552	1,605	3.4%
Cities	1,905	2,033	6.7%
K-12 & ESDs	3,767	3,892	3.3%
Community Colleges	350	366	4.5%
Special Districts	1,333	1,424	6.8%
Total District Taxes	**8,907**	**9,320**	**4.6%**
Urban Renewal Agencies	238	220	-7.5%
Grand Total	**9,145**	**9,540**	**4.3%**

Several points related to Exhibit 3 are worth noting:

- Taxes from permanent rates grew by 4.4 percent in FY 2024–25, while the yearly growth in permanent rate taxes since Measure 50 was 4.8 percent. Exhibit 4 shows the average growth in taxes for each levy type since FY 1997–98. See Table 2.2 (available online) for more information on the breakdown of tax imposed by the various district types. Detailed Tables are available on the Oregon Department of Revenue website: www.oregon.gov/dor/stats.

Exhibit 4—Average Growth in Tax by Levy Type, FY 1997-98 to FY 2024-25

Levy Type	Average Annual Growth
Permanent	4.8%
Local Option	14.5%
Bond	5.3%
Urban Renewal	2.9%
Total	**5.1%**

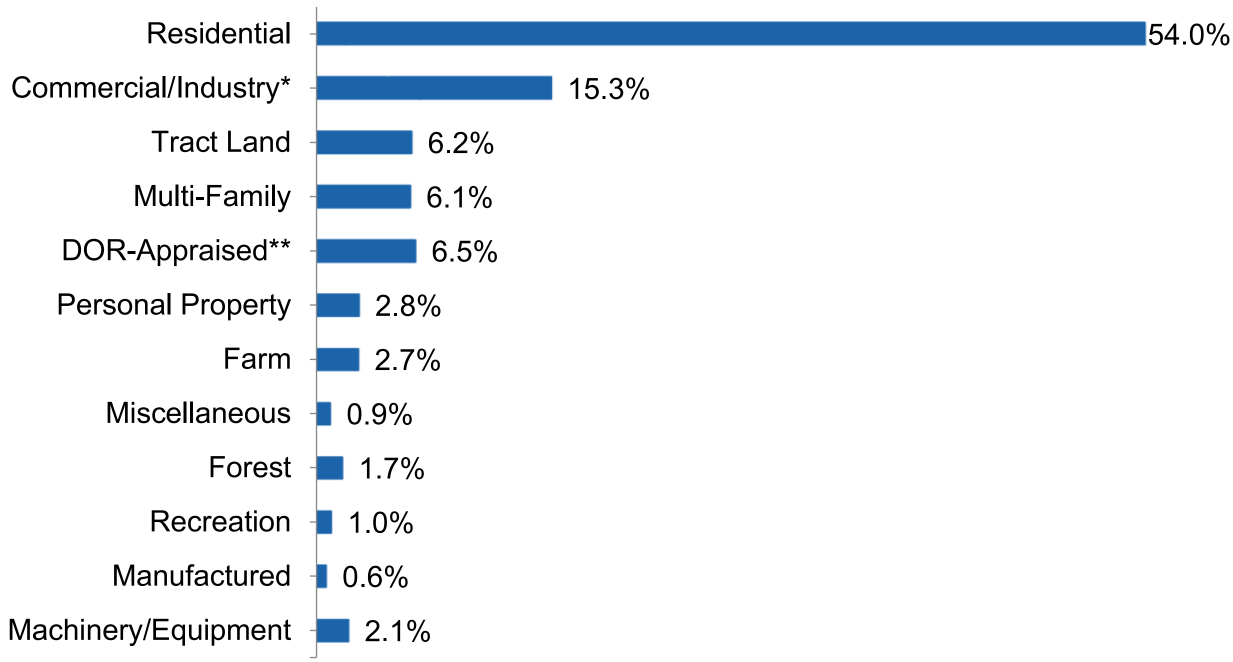
- Overall, local option taxes increased by 8.5 percent from the last fiscal year, accounting for 9.1 percent of total property taxes imposed.
- Bond revenues, the primary funding for capital projects, increased by 3.4 percent since last year. Almost 67 percent of all bond taxes imposed in FY 2024–25 were for education districts.
- Statewide, 197 school districts imposed property taxes this year. Nineteen of those districts had a local option levy and 130 had one or more bond levies. Overall, 31 percent of property taxes imposed by K-12 districts were collected through these two types of levies.

  Urban renewal revenue from taxation of excess value and from urban renewal special levies[7] decreased by 7.5 percent in FY 2024–25 due to city of Portland removing a large number of plan areas. A total of 131 urban renewal plan areas raised revenue from division of tax in FY 2024–25, while 101 urban renewal plan areas increased the amount of revenue they received compared with FY 2023–24. Sixteen of those are new plan areas that did not report last year. For details on the amount of revenue raised for specific urban renewal plan areas and agencies, see Table 3.1 and Table 3.2.

Exhibit 5 displays the percentage of total property taxes imposed by each primary property class for FY 2024–25. As shown, residential properties make up most of the property taxes imposed, followed by commercial and locally assessed industrial properties, and tract land.

[7] See Section IV (3) “Urban Renewal” on page 23 for more information on the financing of urban renewal agencies.

Exhibit 5—Estimated Percent of Total Taxes Imposed by Primary Property Class, FY 2024-25



*Locally-assessed industrial and commercial property classes were merged into a single class in 2013.
**DOR-Appraised refers to centrally-assessed companies and large industrial properties that are appraised by the Department of Revenue.

Exhibit 6a and 6b, on the following pages presents the average ad valorem[8] tax rate for all properties within each county.[9] Actual tax imposed on any individual property is calculated on an individual property basis and imposed tax amounts differ depending upon a property's particular circumstances. In general, taxes are calculated based on taxing district rates applied to the assessed value of a property, but operating taxes are limited to no more than $10 per $1000 dollars of RMV for general government districts, and $5 per $1000 of RMV for education districts.[10] Overall, in FY 2024–25 statewide imposed property taxes averaged $17.43 per $1000 of AV, and $9.18 per $1000 of RMV.[11] Both the average tax rate per assessed value and the average tax rate per real market value rose this year compared to last year.

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[8] See the glossary, page 29, for specific definitions of terms.
[9] Tax rates in Exhibit 6 differ from those presented in Table 1.6 (available online) because urban renewal taxes are excluded from the rates presented in Table 1.6.
[10] The calculation of property taxes is explained in more detail in Section IV.
[11] Only the taxable portion of properties are included in the total real market value reported here. Data comes from county reporting on the Measure 5 Value (M5V) of all assessed property. M5V is the property value to which Measure 5 tax rate limits are applied. For properties that are not partially or fully exempt or specially assessed, M5V is equal to Real Market Value (RMV).

Exhibit 6a—Total Property Tax Imposed, Total Measure 5 Value, Total Assessed Value, FY 2024-25 by County

County	Tax Imposed (dollars in thousands)	Measure 5 Value (M5V)* (dollars in thousands)	Assessed Value (AV) (dollars in thousands)
Baker	28,268	3,537,137	2,064,427
Benton	198,513	21,001,293	11,132,486
Clackamas	1,169,154	119,012,546	66,146,893
Clatsop	114,990	16,525,964	8,304,518
Columbia	95,886	11,551,266	6,742,835
Coos	89,712	12,855,043	6,961,298
Crook	44,439	7,003,681	3,284,883
Curry	33,501	6,676,926	3,962,014
Deschutes	560,377	82,895,888	33,739,457
Douglas	135,424	19,403,693	12,231,837
Gilliam	13,687	1,454,815	1,190,718
Grant	9,451	1,177,333	724,983
Harney	10,598	1,348,285	744,045
Hood River	47,553	8,213,602	3,432,186
Jackson	379,106	44,673,970	26,744,359
Jefferson	39,661	5,427,120	2,320,387
Josephine	101,090	16,078,010	9,968,575
Klamath	88,335	13,975,589	7,231,783
Lake	13,075	1,562,489	938,913
Lane	715,901	86,062,599	43,112,652
Lincoln	151,058	18,921,835	10,013,839
Linn	229,785	24,466,778	13,470,879
Malheur	38,609	4,552,189	2,900,044
Marion	569,471	60,548,109	33,376,039
Morrow	57,178	9,008,271	3,963,911
Multnomah	2,417,724	206,503,128	102,625,272
Polk	125,510	15,233,981	8,016,667
Sherman	20,148	1,599,958	1,313,564
Tillamook	73,524	12,547,696	6,545,418
Umatilla	132,785	14,570,740	8,253,704
Union	35,247	4,308,959	2,533,281
Wallowa	12,567	2,475,462	1,086,224
Wasco	54,240	6,468,803	3,525,995
Washington	1,549,723	154,031,375	86,305,797
Wheeler	3,312	374,716	193,511
Yamhill	179,916	23,356,306	12,064,436
Statewide	**9,539,519**	**1,039,405,556**	**547,167,831**

Notes: Total Tax Imposed includes all taxing districts, all urban renewal division of tax, and all urban renewal special levies.

*Measure 5 Value (M5V) is the property value to which Measure 5 tax rate limits are applied. For properties that are not partially exempt or specially assessed, Measure 5 Value is equal to Real Market Value (RMV).

Exhibit 6b—Average Effective Tax Rates, FY 2024-25

County	M5 Tax Rate (per $1000 of M5V)	AV Tax Rate (per $1000 of M5V)
Baker	$7.99	$13.69
Benton	$9.45	$17.83
Clackamas	$9.82	$17.68
Clatsop	$6.96	$13.85
Columbia	$8.30	$14.22
Coos	$6.98	$12.89
Crook	$6.35	$13.53
Curry	$5.02	$8.46
Deschutes	$6.76	$16.61
Douglas	$6.98	$11.07
Gilliam	$9.41	$11.50
Grant	$8.03	$13.04
Harney	$7.86	$14.24
Hood River	$5.79	$13.85
Jackson	$8.49	$14.18
Jefferson	$7.31	$17.09
Josephine	$6.29	$10.14
Klamath	$6.32	$12.21
Lake	$8.37	$13.93
Lane	$8.32	$16.61
Lincoln	$7.98	$15.08
Linn	$9.39	$17.06
Malheur	$8.48	$13.31
Marion	$9.41	$17.06
Morrow	$6.35	$14.42
Multnomah	$11.71	$23.56
Polk	$8.24	$15.66
Sherman	$12.59	$15.34
Tillamook	$5.86	$11.23
Umatilla	$9.11	$16.09
Union	$8.18	$13.91
Wallowa	$5.08	$11.57
Wasco	$8.38	$15.38
Washington	$10.06	$17.96
Wheeler	$8.84	$17.11
Yamhill	$7.70	$14.91
Statewide	**$9.18**	**$17.43**

Local governments in Oregon began taxing property before statehood, but the structure of the tax changed very little until the 1990s when two statewide ballot measures dramatically altered the system. To find more detailed information on the history of Oregon property taxes, please refer to the publication *A Brief History of Oregon Property Taxation* that can be found on the Oregon Department of Revenue website: www.oregon.gov/dor/stats. Refer to the glossary for an explanation of key terms.

Pre-Measure 5

Prior to Measure 5, which became effective beginning in FY 1991–92, Oregon had a *pure levy-based* property tax system. Each taxing district calculated its own tax levy based on its budget needs. County assessors estimated the real market values of all property in the state. At this time, a property's real market value and the value it was taxed on were generally the same, except for exempt and specially assessed properties. The levy amount for each taxing district was then divided by the total real market value of taxable property in the district to arrive at a district tax rate. One consequence of this part of the calculation was that property tax exemptions had no effect on taxing districts, as other taxpayers in a district would pay more to make up the difference. The taxes each district imposed equaled its tax rate multiplied by the real market value of all the properties within the district's boundaries. The tax rate for an individual property depended on the combination of taxing districts in which it resided. Taxes for each property were calculated by adding the tax rates for the relevant taxing districts, in which the property lies within, to arrive at a consolidated tax rate. That tax rate was multiplied by the value of the property to determine the tax imposed on that property. Most tax levies were constitutionally limited to an annual growth rate of 6 percent, and levies that would increase by more than 6 percent required voter approval.

Measure 5

Starting in FY 1991–92, Measure 5 introduced constitutional limits on the taxes imposed on individual properties. The individual property tax limits of $5 per $1,000 value for school taxes and $10 per $1,000 value for general government taxes applied only to operating taxes not bonds.[12] If the total taxes for either school or general government exceeded the set limits for a property, then each corresponding taxing district would have its tax rate reduced proportionately until the tax limit was reached. This process of reducing taxes based on Measure 5 rate limits is called compression and the resulting tax reduction is referred to as compression loss. The Measure 5 value (M5V) of a property is used to check the individual property tax limits mentioned above and is generally equal to the real market value (RMV) except for specially assessed property (e.g., farm and forest lands) and partially exempt property. RMV is the amount the assessor has calculated the property could sell for in an arm's length market transaction on January 1 of the assessment year.

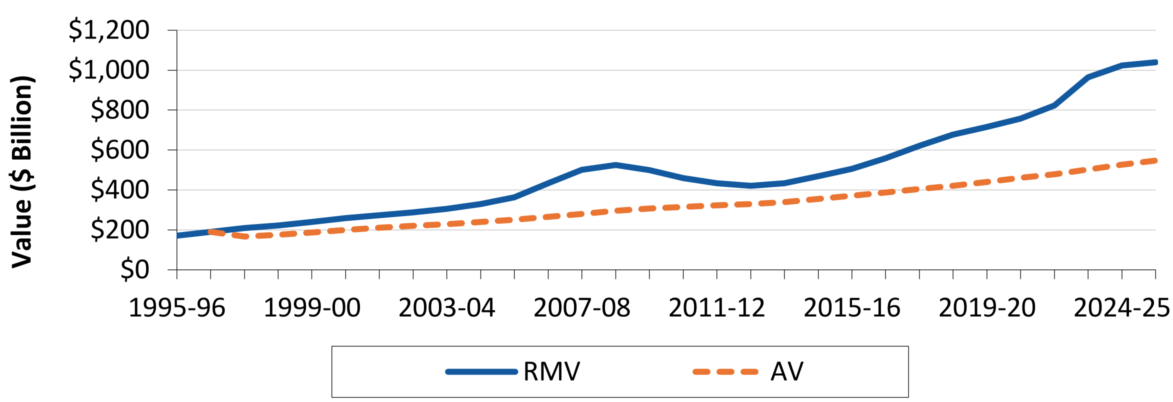
[12] The limit for school taxes was $15 per $1,000 real market value in FY 1991-92. It was reduced by $2.50 each year until it reached a rate of $5 per $1,000 real market value in FY 1995-96.

Measure 50

The objective of Measure 50, passed in 1997, was to reduce property taxes in FY 1997–98 and to control their future growth. It achieved these goals by making three changes: shifting district permanent taxing authority from levy based to rate based and permanently limiting those rates,[13] reducing the value a property was taxed on to the assessed values and limiting annual growth of that taxable assessed value. In the rate-based property tax system created by Measure 50, exemptions from property taxes reduce the total revenue collected, instead of shifting the tax burden. Assessed value is the value of the property subject to taxation for a given year and is the lower of the property's maximum assessed value (MAV) and the real market value. Measure 50 separated a property's AV from its real market value beginning in FY 1997–98 when a property's MAV was set at 90 percent of the property's FY 1995–96 real market value. Measure 50 also limited a property's MAV to no more than 103 percent of its previous year's MAV (assuming no substantial improvements were made to the property). To calculate the MAV for a new property, the assessor multiplies the RMV by the changed property ratio (CPR) for the class of property in the county. The CPR is the ratio of MAV to RMV for existing properties in the county; each class of property (residential, commercial/industrial, farmland, etc.) generally has its own CPR. When implemented in FY 1997–98, the overall effect of Measure 50 was an average effective tax rate reduction of 11 percent compared to the previous fiscal year.

Exhibit 7 displays the relationship between total assessed value (AV) and real market value (RMV) of taxable property[14] for the past few decades.

Exhibit 7—Assessed and Real Market Value of Taxable Property in Oregon, FY 1995-96 to FY 2024-25



[13] Districts were allowed to continue gap bond levies to meet the funding commitments that were made prior to 1996.
[14] Only the taxable portion of properties are included in the total real market value reported here. Data comes from county reporting on the Measure 5 Value (M5V) of all assessed property. M5V is the property value to which Measure 5 tax rate limits are applied. For properties that are not partially or fully exempt or specially assessed, M5V is equal to Real Market Value (RMV).

Exhibit 8—Average Yearly Growth, FY 1997-98 to 2024-25

	Assessed Value	Real Market Value[14]
Inside City Limits	4.6%	6.3%
Outside City Limits	3.9%	5.5%

Due to Measure 50 requirements, FY 1997–98 total assessed value fell 12.5 percent below the prior year and 21 percent below the FY 1997–98 real market value. Since FY 1997–98, statewide assessed value has been increasing each year. However, in most years after FY 1997–98, assessed values have grown at a rate slower than real market values because the maximum assessed values of unchanged individual properties are subject to the Measure 50 constitutional 3 percent annual growth limit. This is especially true for properties inside city limits, where assessed value has averaged 4.6 percent growth since FY 1997–98 and the real market value of taxable property has grown by 6.3 percent yearly. Total assessed value and real market value of properties inside city limits grew by more than those outside of city limits in FY 2024–25. Assessed value outside city limits experienced 3.9 percent growth and real market values grew by 5.5 percent. Exhibit 8 shows the average yearly growth rate for assessed value and real market value of taxable property since the implementation of Measure 50 for properties within city limits and those outside of city limits.

The two most prominent sources of growth in total assessed value are changes in the value of existing property and construction of new property. While Measure 50 generally limits the growth of maximum assessed value on existing properties to 3 percent, the assessed value of an existing property can increase by more than 3 percent if the property had major renovations, new improvements, or if the property is rezoned in such a way that it increases the sale value. New property, such as a newly built home, directly adds to the growth of the total assessed value in an area.

Both Measure 5 and Measure 50 were aimed at limiting property taxes. Exhibits 9, 10, and 11 display the trend in Oregon property taxes imposed for the last several decades.[15] Property taxes imposed averaged between 8 to 9 percent annual growth from the 1960s through the 1980s. Measure 5 took effect in FY 1991–92, and property taxes declined for several years. Measure 50 took effect in FY 1997–98, and the average growth rate of the amount of taxes imposed has been about 4.3 percent per year since.

[15] Exhibits 9, 10, and 11 show figures for property tax imposed in actual dollars; they are not adjusted for inflation or population growth, and they do not account for any property tax relief programs, such as Homestead Deferral. See “Tax Relief” starting on page 24 for more information on current programs. For more on the history of Oregon’s property tax relief programs, see *A Brief History of Oregon Property Taxation*; available on the DOR Research website.

Exhibit 9 displays the average annual increase in property taxes for each of the last six decades as well as for the years since 2020.

Exhibit 9—Average Annual Growth in Imposed Property Taxes in Oregon, by Decade

Time Period	Average Annual Growth
1960-1969	9.1%
1970-1979	8.5%
1980-1989	9.0%
1990-1999	1.8%
2000-2009	5.9%
2010-2019	4.2%
2020-2025	5.0%

Note: Growth in imposed tax is not adjusted for inflation or population changes.

Exhibit 10 displays the total property taxes imposed from FY 1968–69 to FY 2024–25, while Exhibit 11 displays the annual growth over a similar period. In the most recent fiscal year, annual imposed tax growth was about 4.3 percent, lower than the average annual growth rate of imposed taxes since Measure 50 took effect. Note that Measure 5 started in FY 1991–92, was fully phased-in in FY 1995–96, and Measure 50 took effect in FY 1997–98.

Exhibit 10—Total Property Taxes Imposed, FY 1968-69 to FY 2024-25

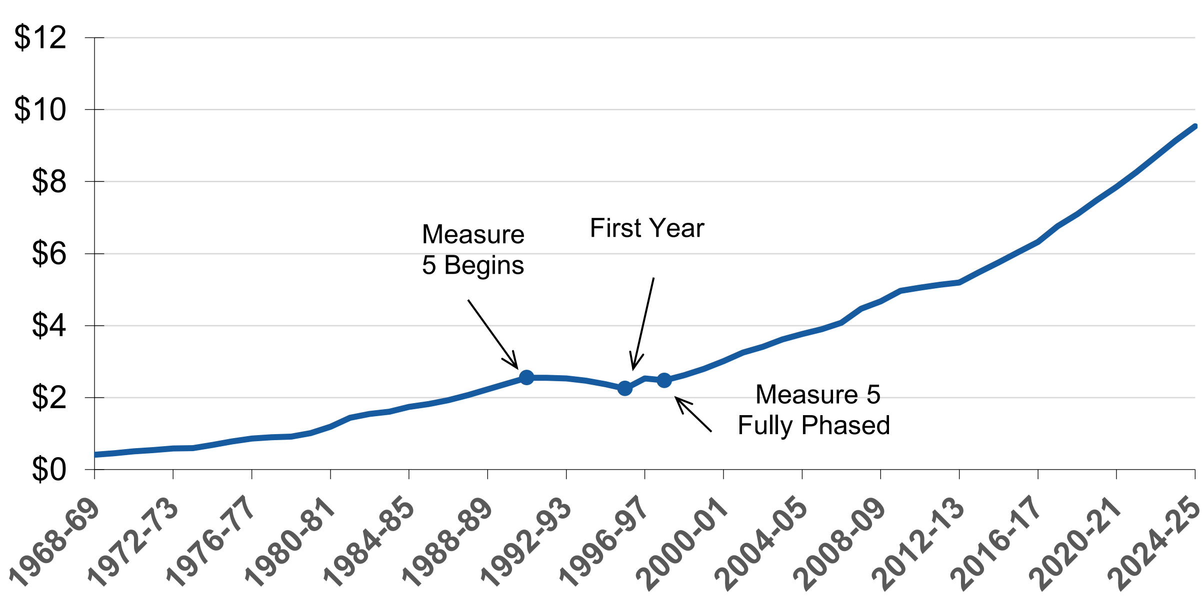


Exhibit 11—Annual Growth in Property Taxes Imposed FY 1968-69 to 2024-25

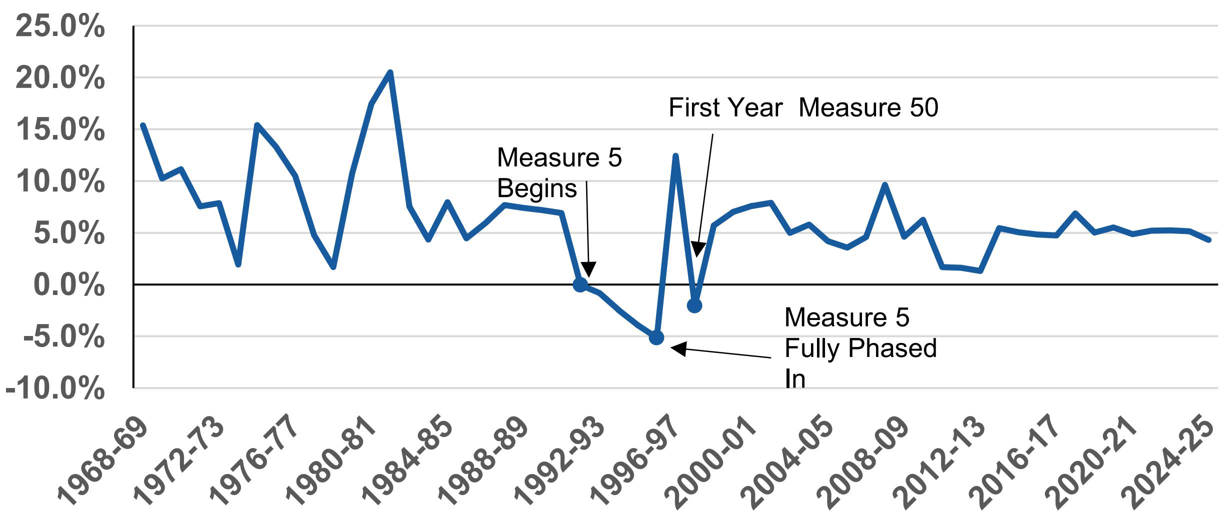
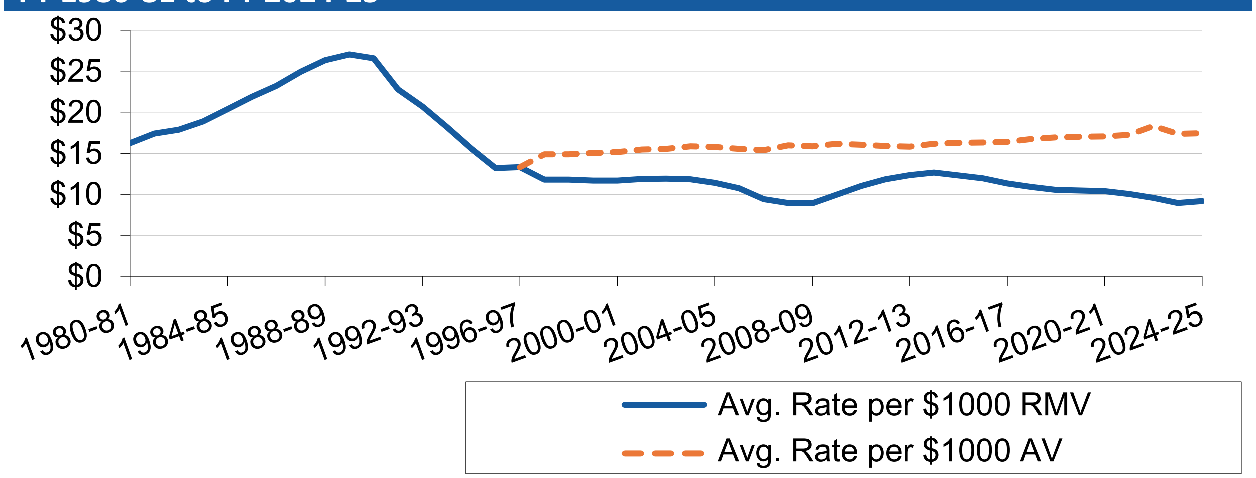


Exhibit 12 provides another angle from which to view the reduction in property taxes due to Measures 5 and 50. It shows the average tax rate per $1,000 of Assessed Value (AV) and Real Market Value (RMV)[16] over the last several decades. In the decade prior to Measure 5, the rate averaged about $23 per $1,000 of RMV. This fiscal year the rate is $9.18 per $1,000 of real market value and $17.44 per $1,000 of AV.

Exhibit 12—Average Tax Rate Per $1,000 of RMV[16] and AV*, FY 1980-81 to FY 2024-25

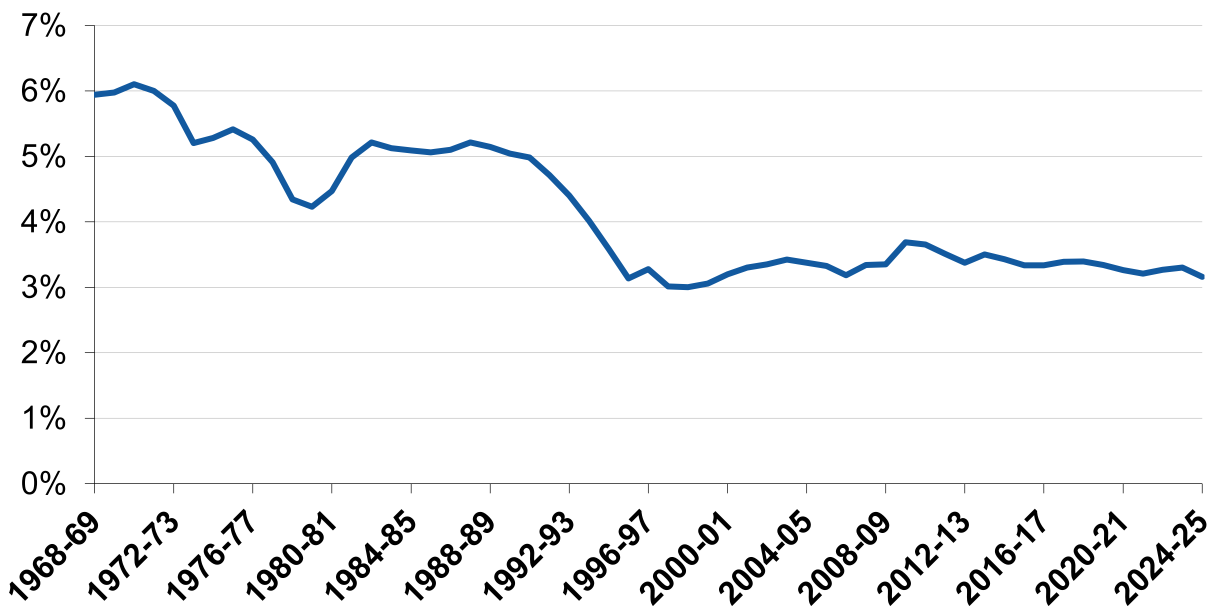


*prior to FY 1997-98, RMV & AV were equal

[16] Only the taxable portion of properties are included in the total real market value reported here. Data comes from county reporting on the Measure 5 Value (M5V) of all assessed property. M5V is the property value to which Measure 5 tax rate limits are applied. For properties that are not partially or fully exempt or specially assessed, M5V is equal to Real Market Value (RMV).

Yet another way to interpret the effects of Measures 5 and 50 are in terms of the relationship between property tax and personal income. Exhibit 13 displays the share of Oregon personal income that property taxes represent. Prior to the limits of the 1990s, the percentage of property tax to personal income was around 5 percent. During the 1990s, the percentage dropped to a range of 3 to 4 percent where it has remained.

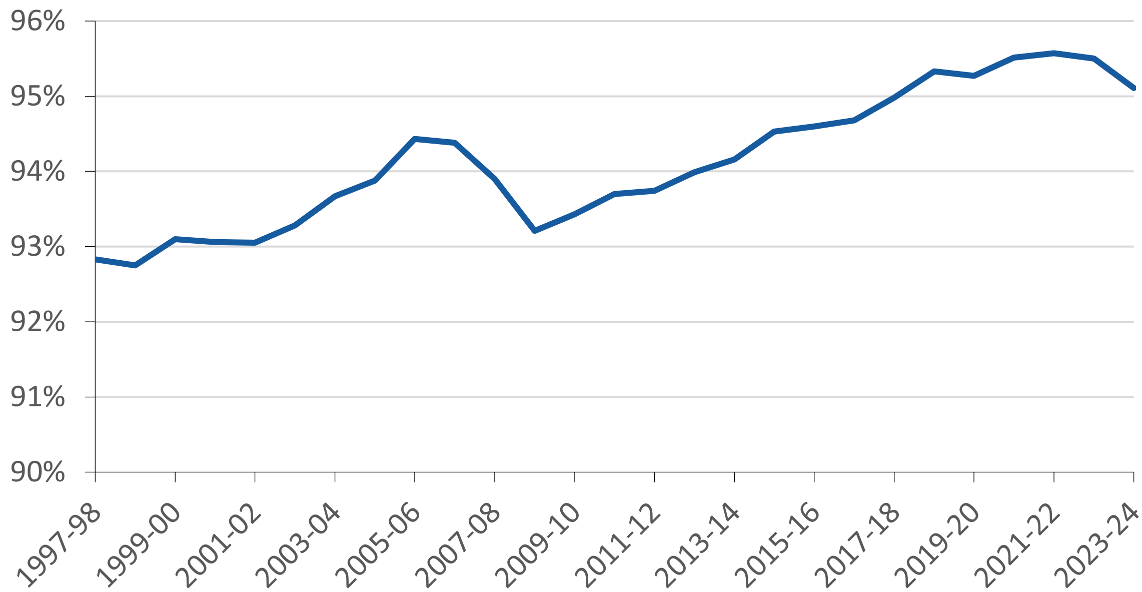
Exhibit 13—Property Taxes as Share of Oregon Personal Income*, FY 1968-69 to FY 2024-25



*Personal income data from U.S. Bureau of Economic Analysis

The Department of Revenue receives annual information on property tax collections from the 36 counties in July. Exhibit 14 presents the percentage of property taxes collected by the end of the fiscal year from FY 1997–98 to the most recent complete fiscal year: FY 2023–24. The percent of tax collected by the end of the fiscal year as a proportion of total property tax imposed has varied within a small range since FY 2000–01, with a gradual upward trend. The proportion of total property tax collected ranged from a low of 92.8 percent in FY 1998-99 to a high of 95.6 percent in FY 2021–22. During the years following the global financial crisis in 2007 and 2008, there was a slight decrease in the collections rate, from 94.4 percent in FY 2006–07 to 93.2 percent in FY 2008–09.

Exhibit 14—Percentage of Annual Property Tax Collected by End of Year, FY 1997-98 to FY 2023-24



*The Percent collected y-axis begins at 90% to highlight minor variations since FY 2000-01.

How the Property Tax System Works

This section provides an overview of property tax administration and introduces the Detailed Tables. Detailed Tables were previously in Section V but are now only available at the Oregon Department of Revenue website: www.oregon.gov/dor/stats. The table references in the following discussion refer to the Detailed Tables now published online.

1. ***Assessment***: Explains the process of assigning taxable values to properties.
2. ***Tax Authority and Tax Due Calculation:*** Provides an overview of types of taxes and an explanation of how tax limits are calculated.
3. ***Urban Renewal:*** Explains operations of urban renewal agencies.
4. ***Tax Collection***: Explains when and how property taxes are collected.
5. ***Tax Relief***: Describes tax relief programs that are currently in effect.
6. ***How Property Taxes are Determined for an Individual Property***: Offers an example of how property tax imposed is calculated for a hypothetical property.

1. Assessment

General Procedure

The process of identifying and assigning a value to taxable property is called assessment. County assessors assess most property and prepare the assessment rolls for each county, which is a listing of all taxable property as of January 1 of each year. Assessment identifies the values of the properties that will be the tax base to which property tax rates apply. Table 1.1 displays assessed value by county and property class. Table 1.2 displays real market value of taxable property[17] and AV by county, and type of property.

The Oregon Department of Revenue assesses some property, including centrally assessed property (companies assessed under ORS 308.505, also referred to as utilities), and large industrial properties with an improvement value greater than $1 million. Utilities are placed on a separate assessment roll, which is transferred to the county assessment roll prior to the preparation of tax bills. Small railcar utility properties, which represent less than 1 percent of the total value of all utility property, cannot be attributed to specific counties. Assessors do not put the value of small railcars on the roll; owners of these utilities pay taxes to the state, which then distributes the tax revenue to counties. Table 1.3 shows the AV of state centrally assessed property by type of company, prior to application of exemptions and/or special assessments. Since the implementation of Measure 50 in FY 1997–98, assessors track the assessed value and

[17] Only the taxable portion of properties are included in the total real market value reported here. Data comes from county reporting on the Measure 5 Value (M5V) of all assessed property. M5V is the property value to which Measure 5 tax rate limits are applied. For properties that are not partially or fully exempt or specially assessed, M5V is equal to Real Market Value (RMV).

real market value for each property, in addition to any specially assessed property and exempt property.

Net assessed value (NAV) is the value used to calculate district tax rates for dollar levies and is calculated by summing the total assessed value, state fish and wildlife property value, nonprofit housing property value, and subtracting urban renewal excess value (see Table 1.4 for breakdown of values) for all areas covered by a taxing district. Both state fish and wildlife property and nonprofit housing property are added to total assessed value because, while they are technically exempt and do not pay property taxes directly to taxing districts, the state makes equivalent payments to taxing districts. Considering the property tax revenues derived from urban renewal excess value go to urban renewal agencies instead of local taxing districts, NAV does not include urban renewal excess value.[18] Table 1.5 shows RMV and NAV by type of taxing district, while Table 1.6 has a breakdown of RMV and NAV by county. Detailed Tables are available on the Oregon Department of Revenue website: www.oregon.gov/dor/stats.

Exemptions and Special Assessments

Certain property owners receive exemptions from property taxation or have their properties assessed in a special way. The value of an exempt property is adjusted prior to being placed on the roll by the assessor. When the Legislature grants such exemptions, it is usually to pursue socially desirable outcomes such as helping educational and charitable organizations, encouraging economic development in Oregon, protecting wildlife and forestlands, or to comply with federal law. Property can also be exempt from taxation because of the complexity associated with taxing the property (e.g., personal property for personal use).

The three primary ways of reducing the assessed value of property are:

- *Full exemption:* A property is wholly exempt from property taxation.
- *Partial exemption:* Partial property exemptions may exempt only a percentage of value, or only part of a property may qualify for an exemption.
- *Special assessment:* Specially assessed properties are valued using different methods from other properties, which results in a lower taxable value than would be the case if the usual assessment practice was used.

Some tax exemptions require local taxing districts to approve of the use of the exemption if it would affect the districts' tax revenue. Table 1.7 presents AV and RMV by county for three broad categories of exemptions:

- Public exemptions (mostly property owned by governments of different levels);

[18] Please see Section IV (3) "Urban Renewal", for more information.

- Social welfare exemptions, and
- Business, housing, and other exemptions.

Table 1.8 provides AV and RMV for farmland and forestland by county. Assessed value for farmland and forestland denotes assessed value of the specially assessed property.

More information on property tax exemptions, special assessment, and Detailed Tables can be found in the *State of Oregon Tax Expenditure Report 2025-2027*, available on the Oregon Department of Revenue website: www.oregon.gov/dor/stats. This document is a companion document to the 2025–27 *Governor's Budget*.

Assessment Appeals

A property owner can appeal the valuation of their property to the local Property Value Appeals Board (PVAB), formerly called the Board of Property Tax Appeals (BOPTA).[19] Petitions to the Board must be filed between the date of delivery of tax statements, which is no later than October 25, through December 31. Petitions are filed in the office of the county clerk in the county where the property is located.

A property owner or assessor may appeal the PVAB decision regarding property value to the Magistrate Division of the Oregon Tax Court. Magistrate decisions can be appealed to the Regular Division of the Tax Court. Decisions of the Regular Division of the Tax Court can be appealed to the Oregon Supreme Court.

Owners of industrial property appraised by the Oregon Department of Revenue must file their appeals directly with the Magistrate Division of the Oregon Tax Court, rather than with the PVAB. Detailed information about the appeal process can be found on the Oregon Department of Revenue website.

Table 1.9 contains information about accounts appealed, the AV of appealed accounts, and net reductions that resulted from PVAB decisions. Detailed Tables are available on the Oregon Department of Revenue website: www.oregon.gov/dor/stats.

2. Tax Authority and Tax Due Calculation

Tax Authority and Types of Taxes

Oregon statutes allow for the establishment of a wide variety of local entities which can impose tax to provide services. Examples include counties, cities, school districts, sanitary districts, and water control districts. Most properties in Oregon reside within six to 12 different taxing districts. There are 1,221 districts that imposed property taxes in Oregon this year.

[19] In addition to a property owner, a person who holds an interest in a property that obligates the person to pay the taxes imposed on the property may appeal the valuation to PVAB.

Property taxes are comprised of three primary parts: 1) permanent rate and gap bond levies, 2) local option levies, and 3) bond levies. In addition, urban renewal agencies get a portion of their revenue from the aforementioned levies, and can, in some cases, also impose special levies.[20]

Measure 50 established *permanent rate limits* for each taxing district based on the operating taxes that each district historically had charged prior to the measure. When new taxing districts are formed, voter approval is required to establish the permanent rates. Districts are allowed to impose tax on properties up to their authority by notification to the county assessor. The permanent rate limits cannot be increased by any means, but districts can choose to tax for less than the maximum allowed amount.

Gap bond levies are operating levies used to pay off indebtedness that was incurred prior to the passage of Measure 50. The indebtedness had been paid out of operating taxes prior to passage of Measure 50, and to protect that ability to pay indebtedness, Measure 50 allowed for the gap bond operating taxes to continue to be imposed beyond the permanent rate authority. Because these levies were not part of the Measure 50 permanent rate calculations in 1997, after the indebtedness was paid off, they were reduced and then added to the permanent rate authority. This preserved the district's overall operating tax authority at a level that would have been calculated if the gap bond levies had been included in the permanent rate limit calculations in 1997. Only one gap bond levy remains, the Pension Levy for the City of Portland; however, that levy has special consideration in the Oregon Constitution.

Districts can, with voter approval, establish *local option levies* (or *local option taxes*) for an existing taxing district. Local option levies are a temporary taxing authority in addition to the district's permanent rate authority but are limited to 10 years at most. Typically, local option levies are established to fund specific operations of a district such as road repair or the operation of a library.

Bond levies require voter approval and are a temporary levy that is exclusively used to repay a bond that is utilized to fund construction and other capital projects. Unlike most other tax levies in Oregon, bond taxes are levy-based and raise a specific dollar amount spread across all taxable properties in the taxing district. Bond levy rates are not included when calculating Measure 5 rate limits for an individual property, also referred to as being "outside the limit."

Table 2.1 displays taxes levied by type of tax and county, while Table 2.2 shows the same information broken out by type of taxing district for FY 2024-25. Detailed Tables are available on the Oregon Department of Revenue website: www.oregon.gov/dor/stats.

[20] See subsection 3, Urban Renewal, on page 23 for more information.

Determination of Tax and Compression

Measure 50 replaced most tax levies with fixed permanent tax rates. In addition to the permanent levies, temporary levies can be imposed through local options, bonds, or urban renewal special levies. For some levies, usually only levies to repay bonds or urban renewal special levies, county assessors compute the tax rates by dividing the levy amounts by the net assessed value within the taxing district. Those tax rates are then added to the permanent tax rates to compute the total rate to be *extended* to a property. The *tax extended* to a property is the total tax rate multiplied by the assessed value of the property.

Since Measure 5 limits must be tested, tax extended is not necessarily the tax imposed. The limits are $5 per $1,000 RMV for education taxes, and $10 per $1,000 RMV for general government taxes. These limits are applied only to operating taxes (including urban renewal), not bond levies. For each property, the assessor compares education taxes with the education limit and general governmental taxes with the general government limit. If the amount of property tax extended exceeds the Measure 5 limits, then taxes are *compressed* in a specific order until they meet the limit. First, local option taxes are proportionally reduced, possibly to zero. If there are no local option taxes or they have been reduced to zero, the permanent tax rates for each taxing district are then reduced proportionately.[21] Total tax after compression is called *tax imposed* and is the amount billed to the property owner(s).

Table 2.3 shows tax extended, tax imposed, and compression amounts by county. Table 2.4 provides the breakdown by type of taxing district. Tables 2.5 and 2.6 demonstrate changes in tax imposed (both inside and outside the Measure 5 limit) and compression, by county and by type of taxing district for FY 2023-24 to FY 2024-25. Detailed Tables are available on the Oregon Department of Revenue website: www.oregon.gov/dor/stats.

[21] Gap bond levies are reduced also, if present.

3. Urban Renewal

Urban renewal agencies were designed to address issues of blight, which can impair property values and lower tax revenues. In Oregon, urban renewal agencies receive most of their revenues through a *tax increment financing* mechanism. Urban renewal agencies can be approved by counties or cities with the objective of eliminating blight within an area. Urban renewal agencies do not have the authority to impose taxes (except for special levies), but they do get a portion of the property tax revenue that would otherwise have gone to taxing districts if the agency did not exist. When an urban renewal plan area is created (plan areas are created and administered by urban renewal agencies), the assessed value of the property within the area's boundaries is frozen at the amount calculated from the most recently certified tax roll prior to the plan's approval. The agency then raises revenue in subsequent years from any value growth above the frozen amount. This value growth is referred to as the *increment* or *excess value*.

A tax rate is calculated for the urban renewal plan as the consolidated tax rate for the relevant taxing districts within the geographic boundaries of the plan. These urban renewal taxes, referred to as "tax off the increment," are calculated as the consolidated tax rate multiplied by the value of the increment. The sharing of tax between taxing districts that each get a portion of the tax imposed on the *frozen base value* and urban renewal agencies that get the tax imposed on the excess value is also referred to as urban renewal *division of tax*.

Over the years, there have been a variety of different types of urban renewal plans that include different levies in their consolidated tax rate. These can be broadly categorized as follows:

- Reduced rate plans, which include permanent rate and gap bond levies, and bond levies passed before October 6, 2001, but do not include local option levies.
- Standard rate plans, which include permanent rate and gap bond levies, all bond levies, and local option levies passed before January 2, 2013. Local option levies passed after January 1, 2013 can be included if the urban renewal agency files an impairment certificate under the procedure outlined in ORS 457.445(4).
- Permanent rate plans, which only include permanent rate and gap bond levies. All plans created after September 28, 2019 are permanent rate plans.

Most urban renewal agencies that have plan areas adopted before December 1996 can also impose special levies. These levies compensate urban renewal agencies for the revenue loss caused by the implementation of Measure 50. Special levies, as well as division of tax revenues, are subject to the tax limitations of Measure 5.

Table 3.1 provides information on the amount of excess value, and the revenue from excess value and special levies, broken down by urban renewal agency, plan area, and county. Table 3.2 displays the amount of increment tax imposed by urban renewal agencies broken down by urban renewal agency, the type of district within which the excess value growth occurred, and by county.

4. Tax Collection

Once the tax rates and Measure 5 tax rate limits are applied to each property, the assessor certifies the assessment roll and turns it over to the tax collector. The tax collector bills and collects all taxes and makes periodic remittances of collections to taxing districts. Tax statements mailed to property owners list the assessed value of the property and the taxes imposed by each taxing district. Statements also indicate how much tax is inside and how much is outside the Measure 5 property tax limits and the amount of taxes due after the limits have been applied.

Based on property values assessed as of January 1, taxes are levied and become a lien on property effective July 1. Tax payments are due on November 15 of the same calendar year. Under the partial payment schedule, the first one-third of taxes is due on November 15, the second one-third on February 15, and the remaining one-third on May 15. If the taxpayer makes the full tax payment by November, a discount of 3 percent is allowed; a 2 percent discount is allowed for a two-thirds payment made by November 15. For late payments, interest accrues at a rate of 1.33 percent per month (16 percent annual rate). If taxes remain unpaid after three years from the beginning of delinquency date, counties then initiate property foreclosure proceedings. Table 4 shows tax uncollected for the most recent complete fiscal year: FY 2023-24. Detailed Tables are available on the Oregon Department of Revenue website: [www.oregon.gov/dor/stats.](www.oregon.gov/dor/stats)

5. Tax Relief

In addition to the many value exemptions and special assessments that can apply to a property, there are two primary programs to directly assist Oregonians with property taxes, the Senior Citizen's Property Tax Deferral Program and the Disabled Citizen's Property Tax Deferral Program. These programs are collectively referred to as the Senior and Disabled Citizens Property Tax Program.

The first deferral program, the Senior Citizen's Property Tax Deferral Program, allows homeowners 62 years or older who meet certain income, asset, and property related requirements to defer all property taxes. Under the Senior Citizen's Property Tax Deferral Program, the state pays the property taxes of participants and charges the homeowner 6 percent simple interest on the deferred amount. Homeowners are not required to pay the taxes or interest to the state until they die, sell, or no longer inhabit their home (except for medical reasons). The income eligibility requirement is indexed to inflation and is $58,000 for FY 2024-25 property tax deferrals. Once approved, senior citizens are eligible for continued deferral in future years so long as they continue to recertify that they meet eligibility requirements every two years (prior to the scheduled program sunset date in 2032).

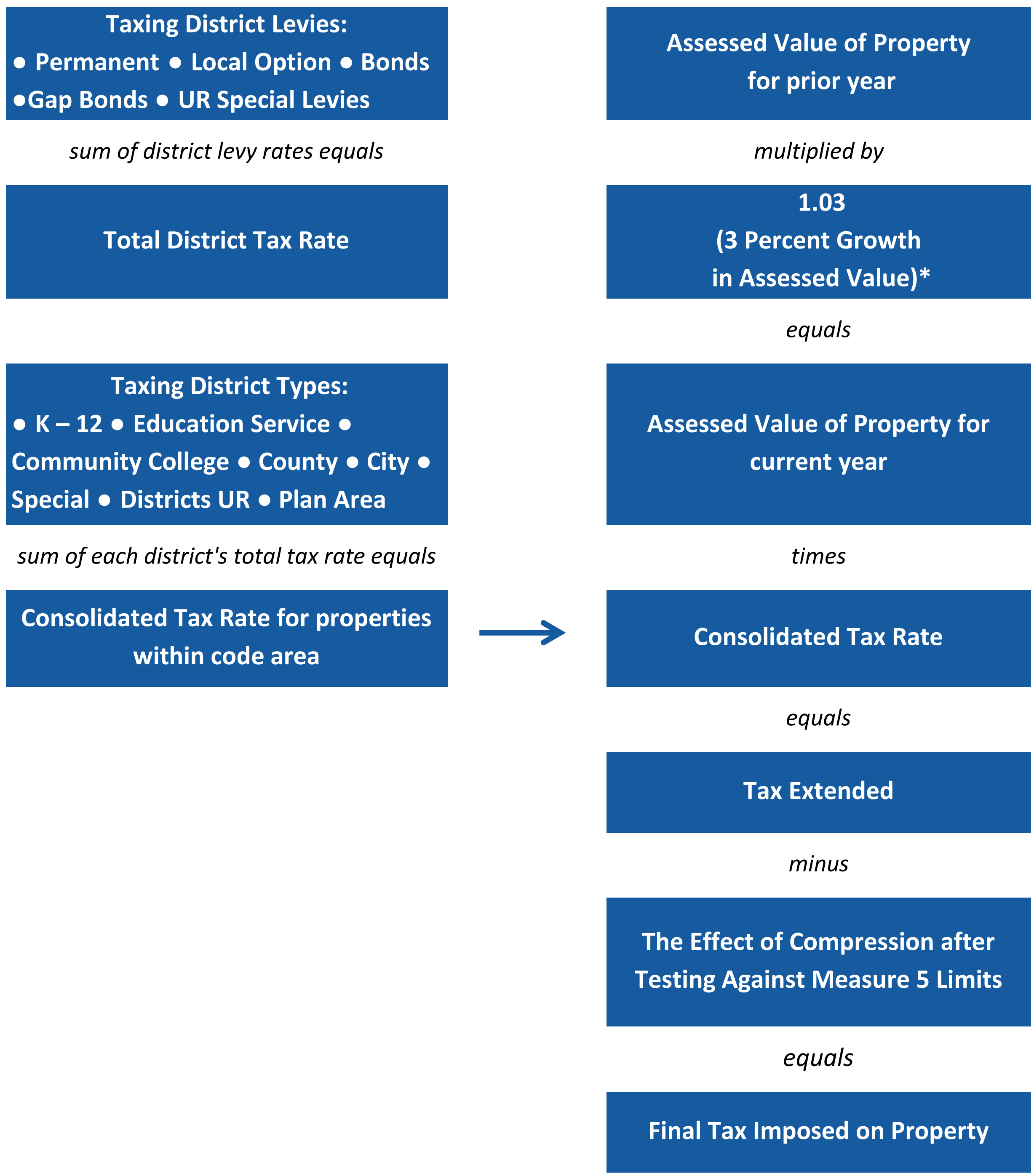
The second deferral program, the Disabled Citizen's Property Tax Deferral Program, began in 2001 and is similar to the Senior Citizen's Property Tax Deferral Program in that the same income, asset, and property limitations apply, and property taxes are deferred at 6 percent simple interest. However, this program is for disabled homeowners who are eligible for or receive Social Security Disability benefits. Age limitations do not apply to this program. This program is also scheduled to sunset in 2032.

For more information visit the Oregon Department of Revenue website: www.oregon.gov/dor.

6. How Property Taxes are Determined for an Individual Property

Exhibit 15 on the following page shows the process used to determine the property tax bill for an individual property. Most property in Oregon is located within six to 12 different taxing districts. Each of these districts will have a billing rate, and the sum of those rates will equal the consolidated tax rate for the property. The assessed value of a property multiplied by the consolidated tax rate results in the tax extended. The non-bond taxes paid to K-12, education service, and community college districts are subject to the Measure 5 education limit of $5 per $1000 of value, while the non-bond taxes paid to all other districts are subject to the Measure 5 general government limit of $10 per $1000 of value. If either the school or the general government tax extended amount is greater than the respective Measure 5 limit allows, then the tax is compressed down to the limit. In compressing non-bond tax, local option taxes are first reduced to zero. If further reduction is needed after all local option taxes have been reduced, then the non-bond taxes for each district are reduced proportionately. The final tax (non-bond tax plus bond tax) is referred to as the tax imposed, and this is the amount the property owner must pay.

Exhibit 15—Simplified Property Tax Calculation for a Residential Property



*If improvements were made to the property during the previous year, then the assessed value could grow more than 3 percent. Assessed value calculation above is for a property with real market value greater than assessed value.

Detailed Tables

Detailed Tables contain information on property values and taxes imposed, by both county and type of district. Taxes collected and uncollected by county are also included. The Detailed Tables are now only available online at the Oregon Department of Revenue website: www.oregon.gov/dor/stats.

List of Detailed Tables

Table 2.5 Tax Imposed and Compression due to Measure 5 Limits, FY 2023-24 and FY 2024-25 by County (thousands of dollars)

Table 2.6 Tax Imposed and Compression due to Measure 5 Limits, FY 2023-24 and FY 2024-25 by Type of Taxing District (thousands of dollars)

Table 3.1 Urban Renewal Excess Value Used and Revenue, FY 2023-24 and FY 2024-25 by Urban Renewal Plan Area (dollars)

Table 3.2 Urban Renewal Division of Tax Revenue, FY 2023-24 and FY 2024-25 by Agency, County, Type of Levy, and District Type (dollars)

Tax Collection

Table 4 Property Tax Certified, Property Tax Collection, and Total Uncollected, FY 2023-24 by County (dollars)

In addition to the Detailed Tables, this report, the Supplement file*, and other reports published by Research such as

- Corporate Activity Tax
- Corporate Excise and Income Tax Statistics Report
- Personal Income Tax Statistics Report
- Tax Expenditure Report

and more are available on the Oregon Department of Revenue website: www.oregon.gov/dor/stats.

*Supplement file is a companion to this report and provides extensive detail on property taxes and assessed values at the taxing district level, property class information, and city-level data on property tax rates.

Ad Valorem Tax. Tax levied as a percentage of a property's value. English translation of the Latin term ad valorem is "according to value".

Additional taxes. Revenues for taxing districts, including penalty upon reclassification, because of various statutory provisions:

- **Farmland.** Additional tax and penalty paid when farmland changes use and becomes ineligible for farm use assessment.
- **Forestland.** Additional tax and penalty paid when forestland becomes ineligible for forestland assessment.
- **Small tract.** Additional tax and penalty paid when land becomes ineligible for Western Oregon Small Tract preferential tax treatment.
- **Open space.** Additional tax and penalty paid when open space land becomes ineligible for preferential tax treatment.
- **Historic property.** Additional tax and penalty paid when property is no longer used as a historic site.
- **Late filing fee.** Penalty amount paid for failure to file a personal property return on time under ORS 308.302.
- **Clerical error.** Additional tax paid because of the correction of a clerical error under ORS 311.206.
- **Other.** Other additional taxes and penalties, such as those resulting from a reclassification of an enterprise zone (ORS 285.617) or riparian land (ORS 308.798).

Arm's length transaction. Transaction between an informed buyer and informed seller who are not related or on close terms, and who are presumed to have roughly equal bargaining power not involving a confidential relationship.

Assessed value (AV). Value of property subject to taxation. Under the provisions of Measure 50, the maximum assessed value for the 1997–98 fiscal year was set at 90 percent of the 1995–96 assessed value for each property in the state. The maximum assessed value for each property is allowed to grow a maximum of 3 percent per year (unless a significant change to the property occurs). In general, the taxable assessed value is equal to the lower of the maximum assessed value, or the real market value of the property. Assessed value does not include the exemptions allowed for property.

Assessment. The process of identifying and assigning a value to taxable property.

Assessment roll. A listing of all taxable property in a county as of January 1 of each year.

Average effective tax rate. Average rate computed for an area by dividing the taxes imposed in that area by the value of the taxable property.

Billing rate. Tax rate expressed in dollars per $1,000 of assessed property value.

Board of Property Tax Appeals (BOPTA). County board that hears taxpayer appeals of property assessment. Property owners can file appeals between the date of delivery of tax statements, which is no later than October 25 through December 31. Refunds are granted when appeals are successful. Taxpayers may appeal the BOPTA decision to the Magistrate Division of the Oregon Tax Court. Name changed to Property Value Appeals Board (PVAB) in 2024.

Bond levies. Property tax levies to pay principal and interest on district bonded debt.

Business, housing, and miscellaneous exemptions. Exempt value of certain business, housing, and miscellaneous other properties that are partially or totally exempt from property taxation. The qualifying exemptions include:

- **Personal Property for Personal Use.** Tangible personal property held by the owner for personal use. Examples of personal property include household goods, furniture, appliances, personal effects, clothing, etc.
- **Veterans' exemptions.** Exemption applies to the assessed value of the home site and personal property of a disabled veteran or their surviving spouse.
- **Historic property.** Improved property that has been specially assessed due to its historic designation.
- **Enterprise zones.** Certain business properties within designated enterprise zones that qualify for exemption for a limited number of years, under provisions included in ORS Chapter 285C. To be eligible, a business must meet several conditions relating to type of business activity and requirements for hiring and investment.
- **Commercial facilities under construction.** Certain commercial buildings in the process of construction that qualify for exemption from property taxation for not more than two consecutive years, under ORS 307.330 and 307.340.
- **All other business, housing, and miscellaneous exemptions.** These include alternative energy systems, farm labor camps, housing for low-income rental, multiple-unit housing in core areas, nonprofit homes for the elderly, pollution control facilities, port and airport property leased, etc.

Centrally assessed property. Taxable property assessed by the Department of Revenue, including electric and communication utilities, rail transportation, air transportation, water transportation, gas pipelines, private rail-cars, and others.

Changed property ratio (CPR). The ratio of average maximum assessed value to average real market value for unchanged properties. (Averages are determined by property class by county.) This ratio is used in calculating the assessed values of new properties, improvements, and other additions to the tax roll. See Oregon Administrative Rule 150-308-0170 for more information regarding CPRs.

Code area. Geographic unit established by a county assessor and identified by a code number representing a unique combination of taxing districts. All properties in a code area pay taxes to the same taxing districts.

Compression. The process of reducing taxes as required by the Measure 5 property tax rate limits approved in 1990. The limits are $5 per $1000 of value for education districts and $10 per $1000 of value for all other districts. Compression is computed on a property-by-property basis, first by reducing local option taxes. If further reduction is necessary to not exceed the limits, all other non-bond taxes are reduced proportionately.

Compression loss. Amount of reduction in taxes due to Measure 5 compression.

Consolidated tax rate. Sum of the billing rates of all taxing districts that impose taxes in a given code area. Billing rates are calculated prior to any compression that may result from Measure 5 property tax rate limits.

Deferral programs. More information related to the Senior and Disabled Deferral program can be found at the Oregon Department of Revenue website: www.oregon.gov/dor/deferral

Deferred Billing Credits. Prior to 2017-18 counties could allow taxpayers to defer payments for disputed property taxes if the dollar amount was more than a million dollars. The county temporarily credited the account for a portion of the amount of disputed tax to avoid paying penalty interest if the tax dispute is eventually lost. Replaced by Potential Refund Credits starting in FY 2017-18.

District tax rate. Computed by adding together the permanent rate, the local option rate, the gap bond rate, and the bond rate for the district. Tax rate expressed in dollars and cents per $1,000 of property value.

Division of tax. The process of, and revenue from, apportioning tax to urban renewal agencies based on the relationship between the frozen base value and the growth of value ("excess value" or "increment") of properties in a particular geographic area (urban renewal plan area). The tax is split between urban renewal agency and taxing district in the same proportion as the ratio of excess value to frozen value.

Elderly Rental Assistance (ERA). For more information, see Oregon Housing and Community Services: www.oregon.gov/ohcs

Excess value. See urban renewal excess value.

Exempt property. Properties that are not taxed under the property tax system. See public exemptions, social welfare exemptions, and business, housing, and miscellaneous exemptions.

Existing urban renewal plan area. Urban renewal plan area that 1) existed in December 1996, 2) chose an option (see Urban renewal option), and 3) established a maximum amount of indebtedness by July 1998.

Farm use special assessment. Special assessment at less than full assessed value for land (ORS 308A.062–308A.068).

Fiscal Year (FY). The term fiscal year as used in this publication refers to July 1 through the following June 30. FY 2024-25 would therefore be July 1, 2023 through June 30, 2024.

Fish and Wildlife. Total assessed value of state Fish and Wildlife Commission property. While not subject to property tax, the commission makes equivalent payments to counties under ORS 496.340.

Forestland special assessment. Special assessment at less than full assessed value of land used for growing timber.

Frozen base value. The assessed value of property within an urban renewal plan area at the time that the plan was created.

Full local option authority. Estimate of the amount of tax that could be levied if a district were to use the full amount of local option levies passed by voters.

Full permanent rate authority. Estimate of the amount of tax that could be levied if a district were to use its entire permanent rate.

Gap bonds. Principal and interest obligations of districts that are paid for with operating revenues rather than with the proceeds of a bond levy. The only remaining property levy that is considered a gap bond levy is the Pension Levy in Portland. However, this levy has special treatment under the Oregon Constitution.

Inside the Limit. Imposed taxes subject to the constitutionally prescribed Measure 5 rate limits.

Joint taxing district. A taxing district that crosses county lines.

Levy based property tax system. Tax system in which levies are determined by budget needs of a taxing district (which in many cases must be approved by voters), and tax rates are calculated as levies divided by total assessed value in a district. The alternative is a rate-based tax system.

Local option levies. Property tax levies beyond the revenues generated by permanent tax rates. Local option levies may be approved by voters in any regular May or November election. If a vote for a local option is held at any other time, then that election must have at least 50 percent voter participation.

Locally assessed property. Taxable property assessed by county assessors, including real property, personal property, and manufactured structures.

Manufactured structures value. Total assessed value of all manufactured structures, which includes mobile homes (ORS 801.333).

Market value. See real market value.

Measure 5. Constitutional tax rate limitations passed by voters in November 1990, which can be found at Article XI, Section 11b of the Oregon Constitution. Measure 5 limits school taxes to $5 per $1,000 of value and non-school taxes to $10 per $1,000 of value. Levies to pay bond principal and interest for capital construction projects are outside the limitation.

Measure 5 Value. Value to which Measure 5 rate limits are applied. Measure 5 Value is equal to real market value for all properties that are not specially assessed, partially exempt, or fully exempt. See ORS 310.165 for more information.

Measure 50. A constitutional amendment approved by voters in 1997. For 1997-98, Measure 50 set the maximum assessed value of every property to 90 percent of its 1995-96 assessed value. Measure 50 then limited the annual growth in maximum assessed value of existing property to 3 percent. In addition, Measure 50 led to the replacement of most dollar-based levies with permanent tax rates.

Mobile homes. See manufactured structures.

Net assessed value (NAV). Value used to calculate district tax rates for dollar levies. It is total assessed value, plus nonprofit housing value and state fish and wildlife value, minus urban renewal excess value used.

Net tax for collection. Total tax for collection minus total credits. (See total credits for description.)

Nonprofit housing value. Total assessed value of property removed from the roll for nonprofit housing purposes. This property consists of land and improvements owned by nonprofit corporations to provide permanent housing, recreational and social facilities, and care to elderly persons. Under ORS 307.244, qualifying property receives a funded exemption from the property tax, but the county receives an equivalent payment from the state.

Operating taxes. A colloquial term for all property taxes subject to the Measure 5 limits. Taxes from the permanent, local option, and gap bond rates that are used to fund the general operating budgets of the taxing districts.

Outside the Limit. Taxes imposed outside of the constitutionally prescribed Measure 5 rate limits. In current law this is essentially limited to tax levies to repay bonded indebtedness.

Permanent tax rates. Permanent taxing rate for each taxing district, expressed in dollars per $1,000 of assessed value. This rate is the maximum rate a district may use without approval by voters; districts may use any rate below this maximum.

Personal property value (Business). Total assessed value of personal property, including machinery, equipment, and office furniture. In 2016-17, personal property for business use that totaled to less than $16,500 in value, excluding personal property manufactured structures, were not required to pay property tax and were not included in assessed value. The limit is indexed for inflation. Personal property for personal use is exempt from taxation.

Plan area. See urban renewal plan area.

Potential Refund Credits. For certain kinds of tax disputes if the dollar amount exceeds $1 million dollars the assessor may choose to offer a potential refund credit. In these cases, the taxpayer will pay all or some of the disputed tax, which is then placed in a separate interest-earning account. At the resolution of the legal dispute, the money and interest are distributed to the taxpayer or government, based on the case outcome.

Only applies to FY 2017-18 and later. See ORS 305.286 for more. See also: Deferred Billing Credits.

Property Value Appeals Board (PVAB). See Board of Property Tax Appeals (BOPTA).

Public exemptions. Property owned by federal, state, or local governments (including counties, cities and towns, and school districts) is generally exempt from property taxation. Private property leased or used for a public purpose may also qualify, depending on the specific situation.

Public utility. Property described in ORS 308.515. See centrally assessed property.

Rate-based property tax system. Tax system in which tax rates are set by law or by voters, and levies are calculated as rates times assessed value. Oregon's tax system is predominately a rate-based system.

Real market value (RMV). Real market value of all property, real and personal, is the amount in cash that could reasonably be expected to be paid by an informed buyer to an informed seller, both acting without compulsion in an arm's length transaction occurring as of the assessment date for the fiscal year.

Real property value. Total assessed value of real property, including land, buildings, structures, and improvements. The following property classes are included within real property:

- **Commercial land.** Unimproved property that has commercial use as its highest and best use.
- **Commercial property.** Improved property that has commercial use as its highest and best use.
- **Farm and range property.** Land or land and buildings with a highest and best use of the production of agricultural crops, feeding and management of livestock, dairying, any other agricultural or horticultural use, or any combination thereof.
- **Farm and range zoned property.** Land or land and buildings located within an exclusive farm-use zone assessed as farm-use land.
- **Farm and range unzoned property.** Land or land and buildings assessed as unzoned farmland.
- **Forestland and forest property.** Consists of land with a highest and best use of growing and harvesting trees of a marketable species, and land that has been designated as forestland.
- **Improvement.** Includes any building, wharf, bridge, ditch, flume, reservoir, well, tunnel, fence, street, sidewalk, machinery, aqueduct, and all other structures and superstructures (ORS 87.005).
- **Industrial land.** Unimproved property that has industrial use as its highest and best use.
- **Industrial property.** Improved property that is a single plant or a complex of properties engaged in manufacturing or processing a product. The Department of Revenue

or county may be responsible for appraisal of industrial property.

- **Multiple housing land.** Unimproved property that has multiple housing use (five living units or more) as its highest and best use.
- **Multiple housing property.** Improved property that has multiple housing use (five living units or more) as its highest and best use.
- **Recreation land.** Unimproved property that has recreational use as its highest and best use.
- **Recreational property.** Improved property that provides recreational opportunities as its highest and best use.
- **Residential land.** Unimproved property that has residential use as its highest and best use.
- **Residential property.** Improved property that has residential use as its highest and best use.
- **Tract land.** Unimproved acreage with a highest and best use other than farm, range, or timber production.
- **Tract property.** Improved acreage with a highest and best use other than farm, range, or timber production.

Roll. See Assessment roll.

Social welfare exemptions. Assessed value of properties owned by private organizations and used for educational, religious, or developmental purposes is exempt from property taxes. The qualifying organizations include:

- **Fraternal organizations** (ORS 307.136).
- **Literary and charitable organizations** (ORS 307.130).
- **Religious organizations** (ORS 307.140).
- **Burial grounds** (ORS 307.150).
- **All other social welfare.** Includes private schools and day care facilities, public libraries privately owned, senior centers privately owned, etc.

Special levy. See urban renewal special levy.

Specially assessed property. Property that is assessed at less than its full value. See farm use special assessment and forestland special assessment.

Supervisory orders. Orders to the counties from the Department of Revenue to correct the values of centrally assessed utility accounts on the tax rolls. These orders are related to corrections in valuations, not appeals.

Taxable value. See assessed value.

Taxes added to rolls. Additional taxes generated when a final order is entered in an appeal, omitted property is included, or other error corrections are made.

Tax extended. Amount of tax calculated *before* the Measure 5 rate limits are applied. If, for an individual property, taxes exceed Measure 5 limits, then the taxes for that property are reduced to the limits.

Tax imposed. Taxes to be paid by taxpayers *after* the Measure 5 rate limits have been applied. For individual properties, the tax imposed always will be less than or equal to the tax extended.

Tax increment financing. A financial tool designed to tax the increases in property value that occur over time in a specific geographic area. Given the frozen base value of the property at the time such a plan area is established, any growth in value ("excess value") is taxed to raise revenue.

Tax increment revenue. Revenue raised from taxing the growth in value ("excess value" or "increment") of properties in each geographic area.

Taxing district. A local government entity that imposes property taxes (e.g., county, city, K-12 school district). A district may cross county lines. For example, the City of Portland District includes portions of the city that are located in Clackamas, Multnomah, and Washington counties.

Tax limit category. Under the 1990 Measure 5 constitutional property tax limitation, taxes are divided into three categories: 1) inside the general government limits, 2) inside the education limit, and 3) outside the limit. All taxes, other than bond levies for capital construction, which are used for non-school purposes, fall inside the general government limit of $10 per $1,000 of value. All taxes, other than bond levies, that are used for education purposes fall inside the education limit of $5 per $1,000 of value. All bond levies used for capital construction fall outside the limit. Of the current types of levies, permanent rate, local option, gap bond, and pension levy taxes are subject to the limitations.

Total amount of property tax certified. Amount of taxes charged by the tax collector as certified by the assessor and authorized by the county clerk. The total includes taxes on real property, personal property, manufactured structures, and public utilities. The amount reported by counties generally includes taxes relating to special assessments and in-lieu payments for fish and wildlife property and nonprofit housing property.

Total assessed value. Sum of assessed values of all taxable properties on the roll.

Total credits. Includes discount allowed for prompt payments, personal property taxes canceled by order of county clerk, real property foreclosures, and other corrections or cancellations.

Total levy. Total levy submitted by the district, including the local option levy and the levy for bonded indebtedness.

Total taxes collected. Taxes collected by the tax collector during the fiscal year ending June 30. Tax collections are reported separately from interest and penalty collections.

Unallocated utilities. Small, private railcar companies that pay property taxes to the state. These taxes are distributed by the state to county governments.

Urban renewal. A program designed to help communities improve and redevelop areas that are physically deteriorated, unsafe, or poorly planned.

Urban renewal agency. Entity responsible for administering urban renewal programs. Urban renewal agencies can be organized by city governments or county governments. They oversee activities in urban renewal plan areas. An urban renewal agency can administer multiple plan areas.

Urban renewal excess value. Total assessed value of property in urban renewal plan areas in excess of the base assessed values when the plan areas were established. This is also called the "increment."

Urban renewal option. Funding option that the urban renewal plan uses. Only "existing" plan areas could choose option 1, 2, or 3 (see existing urban renewal plan). Plan areas that are not "existing" can raise revenue as described under "Other" below.

- **Option 1** plan areas receive full division of tax revenue from all levies except local option and bond levies passed after October 6, 2001. A special levy on all taxable property in the municipality may be used to reach the plan area's maximum revenue authority.
- **Option 2** plan areas cannot receive division of tax revenue, but a special levy may be used to raise revenue up to the plan area's maximum revenue authority from properties in the municipality.
- **Option 3** plan areas had their revenue from division of tax limited when the option was selected. These plan areas receive division of tax revenue up to their limit and may impose a special levy on all taxable property in the municipality up to their maximum revenue authority.
- **Other** plan areas that did not select an option, but were *adopted before* October 6, 2001, raise division of tax revenue from all levies, but cannot use a special levy. Other plans that were *adopted after* October 6, 2001 must exclude local option and bond levies passed after October 6, 2001 when calculating division of tax revenue; they also cannot use a special levy. All plans created after September 28, 2019 are permanent rate plans; it only includes permanent rate and gap bond levies.

Urban renewal plan area. Geographic area in which urban renewal activity takes place. It is the "excess" value in urban renewal plan areas that determines the amount of tax to raise for urban renewal agencies.

Urban renewal shared value. The assessed value of property that is both 1) within the district that covers part of a plan area, and 2) within the boundaries of the urban renewal agency. It also includes portions of a district that are within a plan area but outside the area of the urban renewal agency. Property owners within the shared value area may have part of their taxes allocated for urban renewal rather than for their tax districts.

Urban renewal special levy. Levy imposed by an urban renewal agency if the amount of revenue raised from excess value is below its revenue-raising authority.

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