
Finance Department

555 Liberty ST SE, RM 230



To: Liz Olmstead, Case Manager
From: Shengnan Thomas, Administrative Analyst I
Date: September 14, 2022
Subject: Tax Analysis for Annexation C-750

The amount of property tax levied each year against a parcel of real estate is the product of the parcel's assessed value and its total tax rate. While annexation does not affect assessed value, annexation can have a significant impact on a parcel's total tax rate. The following table shows the expected impact of annexation on the total tax rate of the parcels in the subject case. This table is for demonstrative purposes only and is not a guarantee of annual tax levies or amounts.

Since the owner is the City of Salem (a government entity) the property is current tax exempt except for minor assessed fees. It would be anticipated the property would remain exempt after annexation.

TAX RATE IMPACT OF ANNEXATION

Annexation case

C-750

Tax lot

072W07BB02900

Description	Before Annexation	After Annexation	Change
Tax code area	24620	24910	
Government			
Marion County	\$ 3.0252	\$ 2.8302	
City of Salem	-	5.4747	
Urban Renewal	-	0.9721	
Other government	2.8472	0.8857	
Total government	5.8724	10.1627	73%
Schools			
Salem SD 24J	4.5210	4.2446	
Chemeketa	0.6259	0.5880	
Willamette ESD	0.2967	0.2789	
Total schools	5.4436	5.1115	-6%
Bonds			
Marion County	-	-	
City of Salem	-	1.1999	
Salem SD 24J	2.7072	2.6870	
Chemeketa	0.2679	0.2659	
Other bonds	0.3253	-	
Total bonds	3.3004	4.1528	26%
Other			
Local options	0.5900	-	
UR Special Levy	-	0.2339	
Total other	0.5900	0.2339	-60%
Total tax rate	\$ 15.2064	\$ 19.6609	29%

Total tax levy = total tax rate x (assessed value / 1,000).

Tax rates presented here assume no compression.

Source: County Assessor