
Finance Division

City Manager's Office



To: Pamela Cole, Associate Planner
From: David Lacy, Financial Operations Manager
Date: July 25, 2017
Subject: Tax Analysis for Annexation C-721

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 for the account in the subject case.

TAX RATE IMPACT OF ANNEXATION

Annexation case

C-721

Tax lot

072W20BD01500

Description	Before Annexation	After Annexation	Change
Tax code area	92400213	92401000	
Government			
Marion County	\$ 3.0252	\$ 2.8632	
City of Salem	-	5.5370	
Urban Renewal	-	1.0579	
Other government	2.8472	0.8957	
Total government	5.8724	10.3538	76%
Schools			
Salem SD 32J	5.0045	4.7520	
Chemeketa	0.6259	0.5945	
Willamette ESD	0.2967	0.2820	
Total schools	5.9271	5.6285	-5%
Bonds			
Marion County	-	-	
City of Salem	-	0.9977	
Salem SD 32J	0.8680	0.8629	
Chemeketa	0.2759	0.2743	
Other bonds	0.3108	-	
Total bonds	1.4547	2.1349	47%
Other			
Local options	0.7100	-	
Total other	0.7100	-	-100%
Total tax rate	\$ 13.9642	\$ 18.1172	30%

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

Tax rates presented here assume no compression.

Source: County Assessor