
Finance Division

City Manager's Office



To: Pamela Cole, Case Manager
From: Samantha Naluai, Financial Analyst
Date: December 3, 2018
Subject: Tax Analysis for Annexation C-728

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 parcel in the subject case.

TAX RATE IMPACT OF ANNEXATION

Annexation case

C-728

Tax lot

072W20CA02101

Description	Before Annexation		After Annexation	Change
Tax code area	92400213		92401000	
Government				
Marion County	\$	3.0252	\$	2.8424
City of Salem		-		5.5002
Urban Renewal		-		0.9312
Other government		2.8393		0.8824
Total government		5.8645		10.1562
				73%
Schools				
Salem SD 24J		4.5210		4.2642
Chemeketa		0.6259		0.5907
Willamette ESD		0.2967		0.2800
Total schools		5.4436		5.1349
				-6%
Bonds				
Marion County		-		-
City of Salem		-		1.2632
Salem SD 24J		2.8443		2.7981
Chemeketa		0.2707		0.2690
Other bonds		0.2942		-
Total bonds		3.4092		4.3303
				27%
Other				
Local options		0.7100		-
UR Special Levy		-		0.2438
Total other		0.7100		0.2438
				-66%
Total tax rate	\$	15.4273	\$	19.8652
				29%

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

Tax rates presented here assume no compression.

Source: County Assessor