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# Finance Division

City Manager's Office

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**To:** Pamela Cole, Associate Planner  
**From:** Samantha Naluai, Management Analyst  
**Date:** November 9, 2017  
**Subject:** Tax Analysis for Annexation C-723

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 tax lot in the subject case.

## TAX RATE IMPACT OF ANNEXATION

Annexation case

C-723

Tax lot

083W17DB00100

Description	Before Annexation		After Annexation	Change
Tax code area	92400230		92401000	
Government				
Marion County	\$	3.0252	\$ 2.8598	
City of Salem		-	5.5291	
Urban Renewal		-	1.0809	
Other government		2.0385	0.8945	
Total government		5.0637	10.3643	105%
Schools				
Salem SD 32J		4.5210	4.2866	
Chemeketa		0.6259	0.5936	
Willamette ESD		0.2967	0.2816	
Total schools		5.4436	5.1618	-5%
Bonds				
Marion County		-	-	
City of Salem		-	1.1449	
Salem SD 32J		1.5608	1.5258	
Chemeketa		0.2718	0.2701	
Other bonds		0.1561	-	
Total bonds		1.9887	2.9408	48%
Other				
Local options		-	-	
Total other		-	-	
Total tax rate	\$	12.4960	\$ 18.4669	48%

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

Tax rates presented here assume no compression.

Source: County Assessor