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# Finance Department

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**To:** Hayley Feightner, Case Manager  
**From:** Kelli Blechschmidt, Administrative Analyst I  
**Date:** August 2, 2019  
**Subject:** Tax Analysis for Annexation C-734

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 tables show the expected impact of annexation on the total tax rate of the parcel in the subject case. There are two tax accounts associated with the parcel and each of those accounts are currently in two separate tax code areas. This results in four tables of analysis.

## TAX RATE IMPACT OF ANNEXATION

Annexation case

C-734

Tax lot/Account

072W20CD00200/R71765

Description	Before Annexation		After Annexation		Change
Tax code area	92400210		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

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Annexation case

C-734

Tax lot/Account

072W20CD00200/R71765

Description	Before Annexation		After Annexation		Change
Tax code area	92400213		92401000		
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Marion County	\$	3.0252	\$	2.8424	
City of Salem		-		5.5002	
Urban Renewal		-		0.9312	
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