

## Oregon: Property Tax Relief Not Expected for 2020

Legal Alert  
March 2020  
*American Property Tax Counsel*

Effective March 23, 2020 Governor Kate Brown issued a stay at home order for Oregonians and shuttered all non-essential business including restaurants, malls and business. The effect on business, and in turn property values will be significant. What property tax relief will be forth coming from the assessor or the Department of Revenue is yet to be known. However, because assessments relate back to January 1 of each tax year and the test is what was known or knowable as of the assessment date, we are not holding our breath. While the COVID-19 virus is a reality in 2020, as of January 1 it had not swept through the United States and been declared a pandemic. Oregon has a statutory provision for property that has been destroyed or damaged that allows a proration or reduction in assessment. ORS 308.425. Unfortunately, it does not address proration of property assessment when there is a catastrophic event. There may be some relief for some properties that were already seeing a decline in property values due to other economic obsolescence events. Additionally, the legislature may be imposed on to provide some relief, particularly when it comes to enterprise zones that require a business to maintain a set number of employees and to remain in operation. The central assessment roll will come out in May and locally assessed property will be valued by June 30. So, we are in a holding pattern and we will continue to explore for means to secure relief for over assessed property.

Oregon property tax statements for real and personal property are required by statute to be mailed by October 25, 2020 for locally assessed property. Taxpayers who believe their property has been improperly assessed must file their appeal by December 31, 2020 to preserve their statutory rights of appeal. When reviewing the tax statement, review the real market value and the assessed values of the property. The assessor calculates a real market value for both the land and improvements for the

### Contact

Cynthia M. Fraser

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current tax year and the previous tax year. The assessed value may be less than the total real market value, but it may not be more. This is because Ballot Measure 50 (ORS 308.142 et seq.) requires the assessor to calculate both the real market value and the maximum assessed value. The lesser of the two values is the assessed value and the value upon which taxes are paid. If the assessed value is less than the real market value, generally the real market value has no effect upon the property taxes you pay. This is because a property's maximum assessed value may only increase by three percent.

For additional information, visit the [American Property Tax Counsel website](#).