

IN THE MAGISTRATE DIVISION
OF THE OREGON TAX COURT

Small Claims

Property Tax

GENE L. RADER,)	
)	
Plaintiff,)	
)	No. 000516C
v.)	
)	
DOUGLAS COUNTY ASSESSOR,)	
)	
Defendant.)	DECISION AND JUDGMENT OF DISMISSAL

This matter came before the court on defendant's Motion to Dismiss, included in its Answer, filed April 18, 2000, requesting that the Complaint be dismissed because plaintiff is not aggrieved. Defendant cites two decisions from the Regular Division of the Tax Court in support of its motion.

The appeal was addressed at a case management conference May 30, 2000. Plaintiff appeared on his own behalf. Defendant appeared through Messrs. Steve Gerlt and Ken Vedder.

STATEMENT OF FACTS

Plaintiff seeks a reduction in the the real market value of his land from \$57,318 to \$44,164, which is the roll value (RMV)¹ for the previous tax year. This would reduce the total real market value to \$151,554. The assessed value is based on a maximum assessed value of \$143,791. The tax year at issue is 1999-00. The Assessor's Account No. is 15206.25.

¹ RMV stands for real market value .

COURT'S ANALYSIS

A taxpayer appealing to the Magistrate Division of the Oregon Tax Court must be “aggrieved”. ORS 305.275(1)(a).² Aggrievement in the context of a valuation appeal is determined by the impact on property taxes of granting the requested relief. If the requested reduction would have an impact on property taxes, then the taxpayer would be aggrieved and the issue would be justiciable. Conversely, where the requested relief, if granted, would not reduce taxes, the taxpayer is not aggrieved and the issue is not justiciable. *Kaady v. Dept. of Rev.*, ___ OTR ___ (March 30, 2000); *Parks Westsac L.L.C. v. Dept. of Rev.*, ___ OTR ___ (September 28, 1999).

Measure 50, adopted by the Oregon voters in May 1997, amended the state constitution by creating a "maximum assessed value", which for the 1997-98 tax year, was 90 percent of the property's real market value for the tax year beginning July 1, 1995 (1995-96).³ Each year the maximum assessed value cannot be increased by more than three percent. Or Const, Art XI, § 11(1)(b). Real market value continues to be based on “the amount in cash that could reasonably be expected to be paid by an informed buyer to an informed seller, each acting without compulsion in an arm's length transaction occurring as of the assessment date for the tax year.” ORS 308.205(1).

In this case, a reduction in real market value to \$151,554 will not reduce plaintiff’s property taxes because in Oregon taxes are based on assessed value, which is

² Reference to the Oregon Revised Statutes (ORS) is to the 1999 version of the laws.

³ The pertinent portion of the constitutional amendment provides:

“(1)(a) For the tax year beginning July 1, 1997, each unit of property in this state shall have a maximum assessed value for ad valorem property tax purposes that does not exceed the property's real market value for the tax year beginning July 1, 1995, reduced by 10 percent.” Or Const, Art XI, § 11.

the lesser of the property's real market value or maximum assessed value. ORS 308.146(2).⁴ The assessed value in this case (\$143,791) is derived from the maximum assessed value because it is less than plaintiff's real market value. Since plaintiff's property taxes would not be affected by a reduction in real market value, he is not "aggrieved" and the issue is not justiciable.

Plaintiff expressed concern that the dismissal of his appeal might affect his ability to appeal the real market value in future years. He was assured that would not be the case since each year stands on its own.

CONCLUSION

IT IS HEREBY ADJUDGED AND DECREED that the above-entitled matter be dismissed as non-justiciable.

Dated this ____ day of June, 2000.

DAN ROBINSON
MAGISTRATE

THIS DOCUMENT WAS SIGNED BY MAGISTRATE DAN ROBINSON ON JUNE 6, 2000. THE COURT FILED THIS DOCUMENT ON JUNE 6, 2000.

⁴ ORS 308.146 provides in relevant part:

“(2) Except as provided in subsections (3) and (4) of this section, the assessed value of property to which this section applies shall equal the lesser of:

“(a) The property's maximum assessed value; or

“(b) The property's real market value.”