

IN THE OREGON TAX COURT
MAGISTRATE DIVISION
Property Tax

PHILIP SHERMAN and VIVIAN SHERMAN,)
)
 Plaintiffs,) TC-MD 030294F
)
 v.)
)
 MULTNOMAH COUNTY ASSESSOR,)
)
 Defendant.) **DECISION OF DISMISSAL**

This case is before the court on its own motion to dismiss. The motion was heard at the case management conference on May 14, 2003. Philip Sherman appeared for Plaintiffs. Dennis Wardwell appeared for Defendant.

Plaintiffs are seeking a reduction in the real market value of their personal residence for tax year 2002-03 to its tax year 2001-2002 real market value. The property was assigned a real market value of \$204,000 for tax year 2001-2002. The real market value of the property for tax year 2002-03 is \$205,190. The maximum assessed value is \$167,500. Even if Plaintiffs were to receive a reduction to \$204,000, the new real market value would be greater than the maximum assessed value. In most cases lowering the real market value to an amount greater than maximum assessed value would not result in any reduction in taxes. That would be the end of the inquiry.

This is not always the case. There are different tax rates applied to real market and maximum assessed values. In some cases a real market value higher than maximum assessed value results in a lower overall tax liability. The constitutional limits of Article XI, section 11b of the Oregon Constitution (Measure 5) apply only to real market value. These limits are sometimes lower than the levy rate applied to maximum assessed value. The

value and corresponding levy rate producing the lowest overall tax bill is the one that becomes the “assessed” value. The term used in such cases is “compression.” Defendant stated there would be no compression if the real market value is reduced to \$204,000. The court finds that even if Plaintiffs succeed in their claim they would be entitled to no relief. Because there is no real tax impact to the dispute, Plaintiffs are not aggrieved.

As this court has previously stated, “[i]n requiring that taxpayers be ‘aggrieved’ under ORS 305.275, the legislature intended that the taxpayer have an immediate claim of wrong. It did not intend that taxpayers could require the expenditure of public resources to litigate issues that might never arise.” *Kaady v. Dept. of Rev.*, 15 OTR 124, 125 (2000). *See also Parks Westsac L.L.C. v. Dept. of Rev.*, 15 OTR 50 (1999). Now, therefore,

IT IS THE DECISION OF THIS COURT that Plaintiffs' appeal is dismissed.

Dated this _____ day of May, 2003.

SALLY L. KIMSEY
MAGISTRATE

IF YOU WANT TO APPEAL THIS DECISION, FILE A COMPLAINT IN THE REGULAR DIVISION OF THE OREGON TAX COURT, FOURTH FLOOR, 1241 STATE ST., SALEM, OR 97301-2563. YOUR COMPLAINT MUST BE SUBMITTED WITHIN 60 DAYS AFTER THE DATE OF THE DECISION OR THIS DECISION BECOMES FINAL AND CANNOT BE CHANGED.

THIS DOCUMENT WAS SIGNED BY MAGISTRATE SALLY L. KIMSEY ON MAY 22, 2003. THE COURT FILED THIS DOCUMENT ON MAY 22, 2003.