

Tax errors create headaches for taxpayers

By Vickie Aldous Mar 23, 2018 12:00 AM

Two errors that affected 91,133 property tax accounts in Jackson County have caused confusion for taxpayers and headaches for county staff.

In the first error, Jackson County Fire District No. 4 filed paperwork with the county assessor's office asking for 9.9 cents per \$1,000 of assessed property value from a recently approved levy.

However, voters for the Shady Cove area fire district had approved 10 times that amount — 99 cents per \$1,000 of assessed property value.

Assessor David Arrasmith didn't catch the error. Instead, he signed his name, certifying the tax rolls were correct.

For the second error, the assessor's office mistakenly diverted a portion of property tax dollars from all of Central Point to that city's urban renewal district.

The urban renewal district is supposed to receive a share of property tax revenue only from properties within the district's boundaries, which mainly encompass a section of town in the middle of Central Point.

The district was supposed to receive \$344,333 but was initially credited with \$972,237 — almost three times the correct amount.

Arrasmith also did not catch that error before certifying the tax rolls.

"The tax rolls shouldn't have been certified," Jackson County Administrator Danny Jordan said at a recent briefing with the Jackson County Board of Commissioners. "It's a glaring error."

Arrasmith said the urban renewal district error occurred when his office was trying to include information on property tax bills about the amount of property taxes going to urban renewal.

While the point was to be transparent and provide information to residents, urban renewal money was mistakenly collected from all of Central Point, he said.

"My office is responsible for the urban renewal mistake," Arrasmith said.

The urban renewal mistake did not overcharge taxpayers, but misallocated where the funds were supposed to go.

As for the fire district's error, Arrasmith said he is legally required only to make sure taxing districts aren't asking for more than they can legally collect. He said he also has to make sure a district doesn't ask for different amounts of money when filling

out forms.

On its submitted paperwork, the fire district repeatedly asked for 9.9 cents per \$1,000 of assessed property value instead of 99 cents. The district turned in the paperwork one day before the due date.

"It's not our job to ask why they didn't ask for the full amount," Arrasmith said.

Jordan said Arrasmith should have caught the fire district's error.

"The issue is not paying close enough attention," Jordan said.

While 91,133 tax accounts were affected by the errors, the county sent out 3,234 corrected property tax bills beginning in late 2017.

The county isn't required to send out a corrected bill to a taxpayer if the amount involved is less than \$10.

Even after sending out the limited number of corrected bills, the county's tax collector office — which is separate from the assessor's office — was flooded with more phone calls from confused taxpayers than it could handle, according to an email communication between the offices.

The tax collector office asked to borrow employees from the assessor's office to help handle the calls, according to the email.

Employees logged more than 180 extra hours of time responding to the phone calls, said Shannon Bell, Jackson County tax collector, finance director and treasurer

Staff members from the tax collector's office also had to help frustrated taxpayers who came to the office in person to pay their bills, she said.

Although the county sent out 3,234 corrected bills regarding errors of more than \$10, about 88,000 accounts had to be corrected internally in the system so that various tax districts in the county received their proper share of funding. Those internal corrections had to be made whether the amount per bill was large or small, Bell said.

"It was a mathematical nightmare," she said.

To address the larger mistakes, the county had to issue hundreds of tax refunds and pay interest to those taxpayers, Bell said.

While briefing the commissioners about the tax errors, Jordan said Arrasmith should have caught the mistakes.

Responding to the fallout from the mistakes in the tax rolls has created an overwhelming burden on Bell and her staff, Jordan said.

"It's a big hardship on them," he said at the briefing.

Arrasmith, who took office in 2017, said he wants his office to be a good team member with all the other county departments.

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"I've got a ways to go before I'm perfect, and I need all the help I can get," he said at the briefing.

The elected assessor position has faced turnover in recent years.

In 2011, longtime assessor Dan Ross abruptly resigned, citing a hostile work environment.

Assessor Josh Gibson resigned in 2015, citing health issues and a desire to spend more time with his family. He declined to say whether the decision was related to an incident in which he urinated in public while attending an Oregon State Association of County Assessors conference in Hood River.

During the May 2016 election, a mechanic and three employees from the Jackson County Assessor's Office, including Arrasmith, competed for the assessor position, but no one received a majority of votes. The top two advanced to the November 2016 election.

Arrasmith defeated fellow deputy assessor Angela Stuhr to win the position.

Reach Mail Tribune reporter Vickie Aldous at 541-776-4486 or valdous@rosebudmedia.com. Follow her at www.twitter.com/VickieAldous.