



## THURSTON COUNTY ASSESSOR'S OFFICE

# 2012 LEVIES & PROPERTY TAX FACT SHEET

### Summary of 2011 Assessed Values and 2012 Levies

A continued market decline in property values for many residential and commercial properties resulted in a decrease in Thurston County's total taxable value from \$27.144 billion in 2010 to \$25.689 billion for the 2011 assessment year. This was a decrease of \$1.455 billion, or 5.4% compared to the previous year.

Actions by local voters and taxing district officials to increase their budgets had an impact on county taxes overall. For the 2012 tax year, the average levy rate countywide increased to \$12.62 per thousand of assessed value compared to \$11.60 for the 2011 tax. The tax rate increase is the result of a general drop in property values countywide and levy increases passed by the voters or by taxing district officials.

### What is the overall increase in property taxes for 2012?

Voters continued to pass special levies to raise taxes in 2012. Total property tax to be billed in 2012 and then distributed to 44 taxing districts is almost \$324 million. This increase is about \$9 million over 2011 property taxes and is due to voter approved levies and/or increases initiated by taxing districts.

[Click here](#) to see a breakdown of property taxes by taxing district.

### What caused 2012 property taxes to increase \$9 million more than property taxes levied for 2011?

There are multiple reasons for the countywide increase in property tax collections, including:

1. **Impact Due to Previous Years' Voter Approved Excess Levies** – Outstanding excess levies voted in by the voters for prior years will have an impact to each succeeding year's levy collection until the obligation is completed. Listed below are the excess levies that have passed since 2007 that will continue to have an impact on the 2012 taxes.

#### **Maintenance & Operation and Technology & Capital Project Levies**

Centralia School District 401L passed a 2 year M&O levy on Feb 9, 2010. This proposition authorized the following taxes: 2011 tax year \$4,850,000 and 2012 tax year \$4,925,000. For the 2012 tax year this is an increase of 3 cents per thousand dollars of assessed value. For a home valued at \$250,000, this represents an increase of \$7.

Griffin School District 324 passed a 2 year M&O levy on Feb 9, 2010. This proposition authorized the following taxes: 2011 tax year \$2,119,000.00 and 2012 tax year \$2,323,000. For the 2012 tax year this is an increase of 21 cents per thousand dollars of assessed value. For a home valued at \$250,000, this represents an increase of \$52.

They also passed a 4 year Technology & Capital Projects levy on Nov 2, 2010. This proposition authorized the following taxes: \$550,000 for 2011 through 2014 collection. This amount is not an increase over the previous year.

North Thurston School District 3 passed a 2 year M&O levy on Feb 9, 2010. This proposition authorized the following taxes: 2011 tax year - \$27,500,000 and 2012 tax year - \$28,875,000. For the 2012 tax year this is an increase of 15 cents per thousand dollars of assessed value. For a home valued at \$250,000, this represents an increase of \$37.

Olympia School District 111 passed a 4 year Technology & Capital Projects levy on Feb 9, 2010. This proposition authorized the following taxes: 2011 tax year - \$9,835,000; 2012 tax year - \$10,770,000; 2013 tax year - \$2,320,000.; and 2014 tax year - \$2,320,000. For the 2012 tax year this is an increase of 13 cents per thousand dollars of assessed value. For a home valued at \$250,000, this represents an increase of \$32.

They also passed a 4 year M&O levy on Feb 19, 2008. This proposition authorized the following taxes: 2009 tax year - \$19,000,000; 2010 tax year - \$20,140,000; 2011 tax year - \$21,348,400; and 2012 tax year - \$22,629,304. For the 2012 tax year this is an increase of 18 cents per thousand dollars of assessed value. For a home valued at \$250,000, this represents an increase of \$45.

Rainier School District 307 passed a 2 year M&O on Feb 9, 2010. This proposition authorized the following taxes: 2011 tax year - \$1,439,136 and 2012 tax year - \$1,439,136. This amount is not an increase over the previous year.

Rochester School District 401T passed a 2 year M&O levy on Feb 9, 2010. This proposition authorized the following taxes: 2011 tax year - \$3,388,000 and 2012 tax year - \$3,388,000. This amount is not an increase over the previous year.

Tenino School District 402 passed a 2 year M&O levy on Feb 9, 2010. This proposition authorized the following taxes: 2011 tax year - \$2,746,860 and 2012 tax year - \$2,746,860. This amount is not an increase over the previous year.

Tumwater School District 33 passed a 2 year M&O levy on Feb 9, 2010. This proposition authorized the following taxes: 2011 tax year - \$11,700,000 and 2012 tax year - \$12,400,000. For the 2012 tax year this is an increase of 17 cents per thousand dollars of assessed value. For a home valued at \$250,000, this represents an increase of \$42.

Yelm School District 2 passed a 4 year M&O levy on Feb 19, 2008. This proposition authorized the following taxes: 2009 tax year - \$6,900,000; 2010 tax year - \$7,452,000; 2011 tax year - \$8,085,000; and 2012 tax year - \$8,772,000. For the 2012 tax year this is an increase of 28 cents per thousand dollars of assessed value. For a home valued at \$250,000, this represents an increase of \$70.

## Bond Levies

City of Olympia passed a 20-year Fire Department Acquisition and Improvement Bond Levy on August 19, 2008. The first year of collection for this levy is 2010 tax year. For the 2012 tax year there is no increase over the previous year.

Rainier School District #307 passed a new bond levy on May 15, 2007. For the 2012 tax year there is no increase over the previous year.

2. ***Voter Approved Lid Lifts*** – This occurs when voters of a taxing district vote to remove the levy limit on the regular levies by allowing an increase greater than 1%. Lid lifts may be either permanent or temporary and may be for just one year or span over six consecutive years. Listed below are the lid lifts that have passed since 2007 that have an impact on the 2012 taxes.

## Lid Lifts

City of Tumwater had a 6-year permanent lid lift pass on August 16, 2011. For the 2012 tax year this is an increase of 84 cents per thousand dollars of assessed value. For a home valued at \$250,000, this represents an increase of \$210.

Fire District 6 had a 6-year permanent lid lift pass on August 18, 2009. For the 2012 tax year there is no increase over the previous year.

Fire District 12 (Tenino) passed a 6-year permanent lid lift on November 4, 2008. For the 2012 tax year, this is an increase of 8 cents per thousand dollars of assessed value. For a home valued at \$250,000, this represents an increase of \$20.

3. ***Taxing Districts Increase Their Budgets as Permitted by Law*** – Each year taxing districts can legally increase their regular levy (budget from property taxes) by the lesser of 1% or inflation, plus an adjustment for new construction. For the 2012 tax year, several taxing districts increased their regular levy by 1% plus an adjustment for new construction.
4. ***New Construction*** – There was less new construction for the 2011 assessment year, totaling \$300 million, down from \$330 million in 2010. New construction includes remodeling activity and new homes, subdivisions, & commercial buildings. Regular taxing districts are allowed to increase above the 1% limit by the assessed value of new construction times last years levy rate.
5. ***Taxing Districts Use Banked Capacity*** – Banked capacity is when taxing districts do not levy (or ask) for the full amount of tax allowed by law and may use it for a subsequent year. For 2012 property taxes, Fire District 3, Fire District 7, Roads, Medic One, and Conservation Futures used a small amount of banked capacity to set their levy. This action allows districts to request additional funds in the current year and resulted in a minimal tax increase for property tax collection in 2012.

6. **Creation of Regional Fire Authorities** – To create a regional authority for fire protection and emergency medical services funded by a regular property tax, not to exceed \$1.50 per thousand dollars of assessed value.

### **Regional Fire Protection Service Authorities**

Yelm Fire District 2, Fire District 4 (which includes the City of Rainier), & City of Yelm received approval from voters to combine the three districts into the S.E. Thurston Regional Fire Protection Service Authority on February 9, 2010. This authority can levy up to \$1.50 per thousand for tax year 2011. For the 2012 tax year there is no increase over the previous year.

Fire District 1 & Fire District 11 received approval from voters to combine the two districts into the West Thurston Regional Fire Protection Service Authority on August 18, 2009. This authority can levy up to \$1.50 per thousand for tax year 2011. For the 2012 tax year there is no increase over the previous year.

### **In general, what causes property taxes to go up or down?**

**Property tax increases** are generally caused by a combination of factors. For instance, when taxing districts ask for more money (that is, increase their budgets), property owners will pay more tax. Most districts set their budgets by a vote of their legislative body that may authorize increases up to their statutory or levy rate limits. This often results in increased taxes.

Taxes can also go up when voters approve excess levies for community services. Voters can approve a taxing district's request for excess levies for continuing operations or capital projects, such as school district maintenance and operation levies, building bonds, bonds for school buses, or bonds for fire trucks.

Taxes for an individual property owner may go up when the value of the property rises at a faster rate or declines at slower rate than other properties in that particular area of the county. Taxes may also increase for an individual property owner when a new house is constructed on a previously vacant lot or when a property previously receiving an exemption (such as a senior/disabled person exemption program) is sold and becomes fully taxable.

**Property tax decreases** may occur when taxing districts ask for less money or voters defeat excess levies, when a property qualifies for an exemption (senior or disabled citizens exemption, remodeling exemption), when value increases in some areas are less rapid than increases in other areas, or when the value decrease for a property is greater than other properties.