



## THURSTON COUNTY ASSESSOR'S OFFICE

# 2013 LEVIES & PROPERTY TAX FACT SHEET

### Summary of 2012 Assessed Values and 2013 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 \$25.689 billion in 2012 to \$23.803 billion for the 2013 assessment year. This was a decrease of \$1.886 billion, or 7.3% 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 2013 tax year, the average levy rate countywide increased to \$13.64 per thousand of assessed value compared to \$12.62 for the 2012 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 2013?

Voters continued to pass special levies to raise taxes in 2013. Total property tax to be billed in 2013 and then distributed to 43 taxing districts is \$324.2 million. This increase is \$219.4 thousand over 2012 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 2013 property taxes to increase \$219.4 thousand more than property taxes levied for 2012?

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 2013 taxes.

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

Centralia School District 401L passed a 2 year M&O levy on Feb 14, 2012. This proposition authorized the following taxes: 2013 tax year \$5,425,000 and 2014 tax year \$5,625,000. For the 2013 tax year this is an increase of \$500,000 from the previous year.

Griffin School District 324 passed a 2 year M&O levy on Feb 14, 2012. This proposition authorized the following taxes: 2013 tax year \$2,225,000 and 2014 tax year \$2,332,000. For the 2013 tax year this is a decrease of \$98,000 from the previous year.

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 4 year M&O levy on Feb 14, 2012. This proposition authorized the following taxes: 2013 tax year - \$30,700,000, 2014 tax year - \$31,700,000, 2015 tax year - \$32,500,000 and 2016 tax year - \$33,000,000. For the 2013 tax year this is an increase of \$1,825,000 from the previous year.

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 2013 tax year this is a decrease of \$8,450,000 from the previous year.

They also passed a 4 year M&O levy on Feb 14, 2012. This proposition authorized the following taxes: 2013 tax year - \$21,980,000, 2014 tax year - \$22,460,000, 2015 tax year - \$22,960,000, and 2016 tax year - \$23,460,000. For the 2013 tax year this is a decrease of \$649,304 from the previous year.

Rainier School District 307 passed a 4 year M&O on Feb 14, 2012. This proposition authorized the following taxes: 2013 tax year - \$1,690,000, 2014 tax year - \$1,690,000, 2015 tax year - \$1,690,000, and 2016 tax year - \$1,690,000. This amount is an increase of \$250,864 from the previous year.

Rochester School District 401T passed a 4 year M&O on Feb 14, 2012. This proposition authorized the following taxes: 2013 tax year - \$3,523,520, 2014 tax year - \$3,664,460, 2015 tax year - \$3,811,038, and 2016 tax year - \$3,963,480. This amount is an increase of \$135,520 from the previous year.

Tenino School District 402 passed a 4 year M&O on Feb 14, 2012. This proposition authorized the following taxes: 2013 tax year - \$2,800,513, 2014 tax year - \$2,827,633, 2015 tax year - \$2,855,909, and 2016 tax year - \$2,884,468. This amount is an increase of \$53,653 from the previous year.

Tumwater School District 33 passed a 4 year M&O on Feb 14, 2012. This proposition authorized the following taxes: 2013 tax year - \$13,000,000, 2014 tax year - \$13,600,000, 2015 tax year - \$14,140,000 and 2016 tax year - \$14,710,000. This amount is an increase of \$600,000 from the previous year.

Yelm School District 2 passed a 4 year M&O on Feb 14, 2012. This proposition authorized the following taxes: 2013 tax year - \$9,300,000, 2014 tax year - \$9,700,000, 2015 tax year - \$10,100,000, and 2016 tax year - \$10,700,000. This amount is an increase of \$528,000 from the previous year.

## 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 2013 tax year there was an increase of \$22,837 over the previous year.

Rainier School District #307 passed a new bond levy on May 15, 2007. For the 2013 tax year there was a decrease of \$879,997 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 2013 taxes.

## Lid Lifts

City of Tumwater had a 6-year permanent lid lift pass on August 16, 2011. For the 2013 tax year this is an increase of 15 cents per thousand dollars of assessed value. The city requested to hold the levy rate to \$3.10 instead of taking the full lid lift.

- 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 2013 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 2012 assessment year, totaling \$287 million, down from \$300 million in 2011. 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 year's 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 2013 property taxes, Fire District 3 and City of Lacey 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 2013.
- 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 2013 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 2013 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 the levy rate for a regular taxing district is at its statutory maximum and the assessed value is declining, 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.