

## Mid-Columbia News

### Franklin County assessors to re-evaluate properties every year

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Franklin County residents will begin seeing their properties reassessed by the county assessor's office every year starting in 2008.

The frequency will be a change from the assessor's previous schedule of re-evaluating a quarter of the properties once every four years.

"It promotes uniformity for all taxpayers so you don't have one area of taxpayers paying on a value that's different from another area of taxpayers," said Franklin County Assessor Steve Marks.

While some may cringe at the thought of annual reassessments, Marks said the upside is that the changes in value should be less abrupt.

For instance, instead of a property value staying flat for three years, then going up 40 percent in the fourth year, it may increase 10 percent each of the four years.

Adjusting values annually makes the value changes more predictable for residents, Marks said.

"That's one of the big issues in a lot of the property tax initiatives that go around: People want predictability in property tax," he said.

John Gurtisen, who lives in the 2600 block of West Margaret Street in Pasco, said he wouldn't have any complaints about annual reassessments. He expects to see increases in his property values because of the improvements he has made, he said.

This year, he spent \$10,000 installing a new roof, fence and shed.

Even on a four-year schedule, the assessor's office typically would re-evaluate properties the same year improvements were made, Marks said.

Gary Hart, a farmer outside of Connell, said his concern is that the assessor's office wouldn't be as quick to lower values in a downturn as it would be to increase them. Crop values are factored into farmland values in Franklin County, and the crop prices can be especially volatile, Hart pointed out.

Marks said his office would be just as responsive to downturns as increases.

"Whatever the market says, we'll respond. And if it goes down, we'll go down," he said.

Benton County residents already have had their properties reassessed annually for more than a decade. In all, 18 Washington counties are on annual reassessments, and 19 reassess values once every four years.

Douglas and San Juan counties reassess values once every two years and three years, respectively.

Walla Walla County is making the transition to annual reassessments at the same time as Franklin County.

It makes sense to do it now, Marks said, because in another couple of years, all counties likely will have to make the transition anyway. The Washington State Association of County Assessors is proposing legislation for the next session to require the switch by 2010.

"I don't think any county, really, if they had their choice, would say, 'No, I want to keep it the same way that it is,' " said Dave Cook, Yakima County assessor and legislative chair for the association. "There's efficiency to be gained as well by having us all do it the same."

More counties haven't already switched to annual assessments because of the costs involved with the transition, Cook said. The proposed legislation would provide money to help counties make the change.

Perhaps a key reason to assess values annually is that doing so will help keep them closer to the actual market values. Each year, counties are rated on how closely their assessments match what properties actually sell for.

The goal is 100 percent accuracy, but that's rarely attained, Marks said. In 2005, Franklin County's assessments were 82 percent of the market values.

The percentage, regarded as a ratio, determines how much of the tax levy the counties get from taxes on state-assessed properties. Those taxes are paid by service corporations such as airlines, communications companies and gas companies with holdings in the county.

In 2008, service corporations will be exempted from paying taxes on \$17.9 million of their holdings in Franklin County because of the county's relatively low assessment ratio.

Marks called the trend a tax shift, because the county's residents end up bearing more of the tax burden when the corporations are spared. If the county can improve its assessment ratio, that tax burden would be shifted from residents back onto the corporations, he said.

The ratio also is used in setting the state school levy rate for that county. The higher the ratio, the less residents pay to the state school levy. In Franklin County this year, residents paid \$2.40 per \$1,000 of assessed property value to the state school levy.