



Buyer Property Tax & School Disclosure

Property Tax Disclosure

This disclosure relates to property tax policies and practices that may affect both the seller and purchaser regarding the tax payment and property value of real property. Counties attempt to assess property accurately for tax purposes, but sometimes tax rolls are not accurate. Oregon statutes require assessors to correct those omissions when they are discovered so that everyone pays their fair share of taxes. Property or value that is omitted in error from the tax rolls is called omitted property. County tax assessors often become aware of omitted property at the time a home is being marketed for sale. Some assessors hire people to look at the MLS, sales prices and other information, searching for indications that remodeling has taken place or for other signs that properties are under-assessed.

When assessors find omitted property, they notify the owner and add the property to tax rolls. The law allows them to assess the property in previous years as well: up to five years. Owners have the opportunity to show why the omitted property should not be added to the tax rolls. Once omitted property is added to the tax rolls, the assessment for the omitted property becomes a lien on the property that the owner must pay or risk foreclosure. Because most people are not willing to purchase property with liens for prior years (and because mortgage lenders will not allow it), property owners must pay taxes that are due when they sell the property.

Buyers of property are protected from liability for taxes for prior tax years by reviewing their title reports, because any taxes for prior tax years will appear there. Taxes cannot be a lien unless they were shown on the public record as due and owing at the time a bonafide purchaser bought the property. A property tax assessment for omitted property can impact both buyers and sellers. Sellers may have to pay an unanticipated part of the sales proceeds to the tax assessor.

Although buyers are protected from taxes for tax years prior to their year of purchase, buyers may incur a tax increase for the current and subsequent tax years if the assessor discovers omitted property.

Sellers may receive a demand for a reimbursement from a title company that had to pay a buyer for undisclosed tax obligations. Sellers should consider purchasing a seller's policy of title insurance.

If you have questions or concerns about a property, contact your county tax assessor or real estate attorney. Real estate licensees are not permitted to give advice on omitted property assessments.

School Disclosure

School District, school attendance boundaries and school availability is subject to change. Buyer and seller should contact school officials to confirm school districts, school boundary, school availability or school bus availability for the property address. It is your sole responsibility to perform whatever due diligence you deem necessary to independently verify any and all information in connection with the real estate transaction.

Neither the seller, the listing firm, nor the selling firm or any of their employees or agents shall be liable for buyer's failure to investigate these issues prior to entering into a purchase agreement or closing on the sale.

Buyer: _____

Date: _____

Buyer: _____

Date: _____