

RESOLUTION NO. 2 FOR 1998

A RESOLUTION AUTHORIZING A REDUCTION IN THE 1998-99 AND 1999-00 OPERATING TAX RATES.

WHEREAS, the City of Sweet Home finds that its 1998-98 local option levy and the levy of Linn County has the unintended result of increasing the operating tax rate limit of the City above what was intended or expected.

WHEREAS, the City Council finds that an unanticipated result of this treatment is that the operating taxes for taxing districts in Linn County, including this City, are higher than expected or intended.

WHEREAS, the City Council finds that it may provide the economic equivalent of a refund to taxpayers of the excess 1997-98 taxes and provide prospective relief from these excess taxes to taxpayers by imposing less than the City's operating tax limit in 1998-99 and 1999-00 and further reducing the City's operating tax rate limit in 1998-99.

NOW, THEREFORE, the City of Sweet Home hereby resolves:


That City Council directs the budget officer, when preparing the 1998-99 budget to balance and the City's certification to the assessor under ORS 310.060, to use a lower operating tax rate to reduce 1998-99 ad valorem property taxes in an amount equal to the excess taxes in tax years 1997-98 and 1998-99, had the City's tax rate limit not been artificially increased as a result of the 1997-98 local operation levies.

The City Council further directs the budget officer, when preparing the 1999-00 budget to balance and the city's certification to the assessor under ORS 310.060, to use a lower operating tax rate to reduce 1999-00 ad valorem property taxes in an amount equal to the excess taxes in tax years 1999-00, had the city's tax rate limit not been artificially increased as a result of the 1997-98 local option levies.

The budget officer shall work the Linn County Assessor to determine the appropriate tax rate reduction. Based on current estimates, the reduced tax rates will lower the city's property taxes by about \$100,000 in 1998-99 and \$55,000 in 1999-00.

The City Council recommends that the budget committee approve these lower operating tax rate limits. The City Council approves the levy for 1998-99 subject to these reduced operating tax rate limits.

PASSED by the City Council and approved by the Mayor this 10th day of February, 1998.



Mayor

ATTEST:



City Manager - Ex Officio City Recorder