

City Property Tax Bills Delayed

By Mark S. Watson, City Manager

The City of Oak Ridge is facing a unique financial challenge this year because we are being forced to delay the calculation, billing and collection of property taxes. Several citizens have contacted me regarding the cause of this delay and its potential impact on City operations as it is the time when we normally pay property taxes. As explained here, the delay has been caused by the delayed reappraisal process of property in Roane County. Even though the delay will temporarily disrupt the City's property tax billings, City services will not be affected.

Every five years each county in Tennessee conducts a reappraisal of the taxable value of property in that county. These new property values are used to set a new tax rate which produces the same revenue as the old property values and old property tax rate. Since Oak Ridge is located in two counties, the City uses the new property values of both counties to calculate a new blended tax rate. This new tax rate is called the "certified tax rate."

Anderson County has successfully completed their work, but the reappraisal of properties in Roane County has been seriously delayed. The State of Tennessee has stepped in to assist Roane County in its reappraisal, but we do not know when it will be fully complete. Without Roane County's reappraisal information, Oak Ridge's "certified tax rate" cannot be set and the City cannot move forward with setting a tax rate or issuing tax bills.

Many Oak Ridge residents are used to paying their property tax bills in late June or in July. You will get to hold onto it a little longer this year until tax rates are set; then, a new payment schedule will be set. You are not late or delinquent at this time!

Your City employees understand that you rely on City services every day, from Police and Fire Protection to our City Parks and Library. As such, the City maintains reserve funds to maintain operations during times such as this. The reserve funds, along with expense management measures that I have put into place, will keep the City on an even keel for the interim period. If the situation stretches out beyond our ability to operate from reserve funds, we will explore options for low-interest, short-term debt based on estimated tax receipts, so called "tax anticipation notes."

As soon as the "certified tax rate" becomes available, your City Council will use it as a base from which to adopt a new tax rate and tax statements will be mailed out. The tax statements will include a new due date for this year selected to give everyone a chance to pay their taxes on time and without penalty.

As we work through this unusual and unexpected situation, I can assure you that the City will continue to operate from a strong financial position, maintaining its ability to provide the services you expect and upon which you rely.

If you have specific questions regarding your tax situation, please feel free to call 865-425-3404 and speak to our property tax specialist.

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