



Department of County Management  
Division of Assessment, Recording & Taxation

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October 7, 2011

To: Multnomah County Taxing Districts

From: Gary Bartholomew, Tax Revenue Manager

**Re: Comcast Tax Appeal Update**

We provided notification in July, 2010 of Comcast Corporation's appeal of their 2009-10 property value and the potential of a large tax refund. We also advised that the County was considering establishing an interest bearing reserve account to mitigate a possible refund. We invited comment and held a meeting for districts on July 29, 2010. The responses received were in support of establishing a reserve.

On September 2, 2010 the Multnomah County Board of Commissioners unanimously approved Order # 2010-129 establishing a refund reserve account. The Order directed that funds be set aside for the 2009-10 tax year, and each tax year thereafter that the appeal remains unresolved. In accordance with the Order, \$4.1 million was set aside from the amount available for distribution for tax year 2010-11 on November 24, 2010.

On August 10, 2011, the Oregon Tax Court issued a decision in favor of Comcast. The Oregon Department of Revenue has appealed that decision to the Oregon Supreme Court.

We previously indicated our intention to seek legislation to help mitigate potential impacts of large appeals. The legislature enacted Chapter 112, 2011 Oregon Laws (HB 2569, effective 09/29/11) providing the county with a tool to issue deferred billing credits for large appeals. Issuing such credits to Comcast will stop further accrual of interest on any potential refunds.

This month, deferred billing credits for 2009-10 and 2010-11 will be issued to Comcast resulting in a refund of \$8.7 million. To insure adequate funds for the refund, an additional \$1.8 million was added to the reserve account by reducing the September distribution scheduled for 10/12/2011. The remaining \$2.8 million will be deducted from the October distribution scheduled for 11/10/11. As a result of these actions, the reserve fund is no longer necessary and yesterday the County Board issued an Order cancelling the reserve fund.

Finally, later in October, a deferred billing credit will be issued for 2011-12 ordering Comcast to defer payment of approximately \$5.4 million until the appeal is resolved.

Please contact us if you have any questions.

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Tom Linhares, TSCC  
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