

Chevron wins property tax appeal for Richmond refinery

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RICHMOND — Chevron overpaid property taxes by at least \$12.6 million at its Richmond refinery over three years, a finding that could mean financial losses for Contra Costa County, its cities and special districts.

The Contra Costa Assessment Appeals Board ruled Thursday that the county incorrectly calculated the refinery's property tax from 2004 to 2006.

Cities, schools, parks and fire districts countywide that received property tax revenue could be affected, if they are asked to pay back money. It was unclear Thursday whether Chevron would seek a refund.

"Any thinking about that is something to have a conversation about with the county," said Dean O'Hair, refinery spokesman. "We want to make sure this is implemented in a way that will work for everybody."

Contra Costa Supervisor John Gioia, who represents Richmond and other cities in West County, feared a refund request could devastate jurisdictions.

"All agencies are cutting services, and this would be more piling on," Gioia said. "It comes at the worst possible time. I would call upon Chevron not to ask public agencies to refund the \$12.6 million."

If a refund is sought, those hardest hit would be the county at \$1.7 million, followed by Contra Costa County Fire Protection District at \$853,000 and San Ramon Valley Fire District at \$406,000, according to the preliminary county figures. Richmond would be among the cities most heavily impacted at \$311,797.

Chevron's appeal had to do with how to accurately assess the refinery's property value. In 2004, the county assessed the land at \$2.5 billion, but Chevron says its assessment should have been \$600 million. For 2005, the county's assessment was \$2.6 billion, compared with Chevron's estimated \$940 million. In 2006, the county's figure was \$2.7 billion; Chevron's estimate was \$1.14 billion.

The Assessment Appeals Board ruled the assessments were off by a combined \$1.2 billion for the three years.

O'Hair said an accurate assessment allows the refinery to stay competitive, and continue to operate and employ people. County Assessor Gus Kramer, who was "shocked" at the ruling, said his office worked hard to defend assessments they believe accurately reflect the land value.

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