

REVENUE: Revenue Statement Issued

FISCAL: Fiscal Statement Issued

Action: Do pass with amendments
Vote: 7-0-2
Yeas: Berger, Butler, Gelser, Olson, Rosenbaum, Witt, Barnhart
Nays:
Exc.: Bruun, Read
Prepared By: Mary Ayala, Economist
Meeting Dates: 2/6, 3/2

WHAT THE BILL DOES: Section 1 eliminates the annual filing requirement for a veteran's exemption, not to exceed \$15,000 on the assessed value of homestead or personal property if three conditions are satisfied. First, a war veteran must have been granted the homestead exemption defined in ORS 307.250 in the previous year. Second, the war veteran claiming the exemption must satisfy the requirements for having disabilities of 40% or more, or a surviving spouse must continue to meet the qualifications for the exemption as defined in ORS 307.250 (1) (c). Third, the ownership and use of the homestead or personal property and all other qualifying conditions of the property must remain unchanged. Effective on or after July 1, 2008.

Section 5 changes ORS 307.270's maximum exemption amount to conform to the \$15,000 exemption that is granted under the provisions of ORS 307.250. Effective upon becoming law.

ISSUES DISCUSSED: A representative from the Department of Revenue explained the need for an amendment to add two statutory references that will include in this measure applicants who are disabled, as certified by the Department of Veterans Affairs (DVA); or the surviving spouses of disabled veterans, as certified by DVA. The members also discussed whether or not spouses of surviving veterans would or should be able to continue to claim the exemption if they remarried for a short period of time. A member requested an amendment to clarify that the eligibility of surviving spouses of disabled veterans is contingent upon their remaining unmarried as widows or widowers of the deceased veterans.

EFFECT OF COMMITTEE AMENDMENTS: Subject to the same conditions that must be satisfied by veterans with non-service related disabilities of 40% or more who are eligible for a \$15,000 exemption, the amendment eliminates the annual filing requirement for veterans with service-related disabilities of 40% or more who are eligible for not more than an \$18,000 exemption.

BACKGROUND: Under (ORS 307.260), a war veteran or surviving spouse must file annually for the homestead exemption allowed under ORS 307.250 in writing on or before April 1st of the tax year for which the exemption will be claimed. An exception allows a person to file after April 1st if the property was purchased after March 1st but before July 1st.

ORS 307.250 (1) (c) grants this exemption to the surviving spouse of war veteran for the period of time during which he or she remains unmarried until the date of the first remarriage.

ORS 307.270 allows a maximum exemption amount of \$11,670 on the value assessed value of real or personal property that is located in different counties.

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This summary has not been adopted or officially endorsed by action of the committee.