

House Bill 2884

Sponsored by Representatives LIM, WITT; Representatives BOONE, C EDWARDS, NELSON, Senator PROZANSKI

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Extends annual filing requirement for veteran homestead exemption to December 31 of assessment year. Applies to tax years beginning on or after July 1, 2008.

Modifies active duty military service requirements needed to qualify for military homestead property tax exemption. Extends annual filing requirement for military service property tax exemption until December 31 of assessment year. Requires payment of application fee for late claims. Applies to claims for exemption filed for tax years beginning on or after July 1, 2001.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to filing requirements for homestead property tax exemptions; creating new provisions;
3 amending ORS 307.260, 307.270, 307.286 and 307.289 and sections 5 and 6, chapter 520, Oregon
4 Laws 2005; and prescribing an effective date.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1.** ORS 307.260 is amended to read:

7 307.260. (1)(a) Each **war** veteran or surviving spouse qualifying for the exemption under ORS
8 307.250 shall file with the county assessor, on forms supplied by the assessor, a claim therefor in
9 writing on or before April 1 of the assessment year for which the exemption is claimed, except that
10 when the property designated is acquired after March 1 but prior to July 1 the claim [*for that*
11 *year*] shall be filed within 30 days after the date of acquisition.

12 (b) [*Not later than April 10 in each year, the county assessor shall notify each veteran or surviving*
13 *spouse of a veteran in the county who secured an exemption under ORS 307.250 in the preceding year*
14 *but who did not make application therefor on or before April 1 of the current year. Such notice may*
15 *be given on an unsealed postal card.*] **Notwithstanding paragraph (a) of this subsection, any war**
16 **veteran or surviving spouse** [*so notified*] may secure [*such*] **an exemption under this section**, if still
17 qualified, by making application therefor to the county assessor not later than [*May 1*] **December**
18 **31** of the [*current*] **assessment** year, accompanied by a [*late-filing*] **late filing** fee of [*\$10*]
19 **\$_____**, which shall be deposited in the general fund of the county for general governmental ex-
20 penses. If the claim for any year is not filed within the time specified, the exemption shall not be
21 allowed on the assessment roll of that year. **If the claim is not accompanied by the late filing**
22 **fee, or if the late filing fee is not otherwise paid, no exemption shall be allowed for the tax**
23 **year based upon a claim filed pursuant to this paragraph.**

24 (2)(a) The claim shall set out the basis of the claim and designate the property to which the
25 exemption may apply. Except as provided in subsection (3) of this section, claims for exemptions
26 under ORS 307.250 (1)(a) and (2)(a) shall have [*annexed*] **affixed** thereto the certificate last issued
27 by United States Department of Veterans Affairs or the branch of the Armed Forces of the United
28 States, as the case may be, but dated within three years prior to the date of the claim for exemption,

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 certifying the rate of disability of the claimant.

2 (b) Claims for exemption under ORS 307.250 (1)(b) shall, except as provided in subsection (3) of
3 this section, have *[annexed]* **affixed** thereto, in addition to *[any]* **the** certificate *[prescribed]* **last is-**
4 **sued by a licensed physician and dated within one year prior to the date of the claim for**
5 **exemption, certifying the rate of disability of the claimant**, a statement by the claimant under
6 oath or affirmation setting forth the total gross income received by the claimant from all sources
7 during the last calendar year.

8 (c) There **also** shall be *[annexed]* **affixed** to each claim the affidavit or affirmation of the
9 claimant that the statements contained therein are true.

10 (3) The provisions of subsection (2) of this section *[which]* **that** require a **war** veteran to
11 *[annex]* **affix** to the claim certificates of *[either]* the United States Department of Veterans Affairs,
12 *[any]* **a** branch of the Armed Forces of the United States or a *[duly]* licensed physician, *[shall]* **do**
13 not apply to a **war** veteran who has filed the required certificate after attaining the age of 65 years
14 or to a **war** veteran who has filed, on or after September 27, 1987, a certificate certifying a disability
15 rating that, under federal law, is permanent and cannot be changed.

16 (4)(a) Notwithstanding subsection (1) of this section, a surviving spouse may file a claim for the
17 exemption under ORS 307.250 at any time during the tax year if:

18 (A) The **war** veteran died during the previous tax year; or

19 (B) The property designated as the homestead was acquired after March 1 but prior to July 1
20 of the assessment year and the **war** veteran died within 30 days of the date the property was ac-
21 quired.

22 (b) The claim shall be allowed by the county assessor if the surviving spouse meets all of the
23 qualifications for an exemption under ORS 307.250 other than the timely filing of a claim under
24 subsection (1) of this section.

25 (c) If taxes on the exempt value have been paid, the taxes shall be refunded in the manner
26 prescribed in paragraph (d) of this subsection. If taxes on the exempt value have not been paid, the
27 taxes and any interest thereon shall be abated.

28 (d) The tax collector shall notify the governing body of the county of any refund required under
29 this section and the governing body shall cause a refund of the taxes and any interest paid to be
30 made from the unsegregated tax collections account described in ORS 311.385. The refund under this
31 subsection shall be made without interest. The county assessor and tax collector shall make the
32 necessary corrections in the records of their offices.

33 **SECTION 2. The amendments to ORS 307.260 by section 1 of this 2007 Act apply to claims**
34 **for tax years beginning on or after July 1, 2008.**

35 **SECTION 3.** ORS 307.270 is amended to read:

36 307.270. (1) The exemption under ORS 307.250 shall apply to property any such **war** veteran or
37 surviving spouse may own, or have in possession under a recorded contract of purchase, on January
38 1 of the year in which the exemption is claimed. The exemption shall first apply to the homestead
39 of the **war** veteran or surviving spouse and then to the personal property of the **war** veteran or
40 surviving spouse. Property of the spouse of any such **war** veteran where they are living together
41 and occupying the same as their homestead shall be deemed the homestead of the **war** veteran.
42 When any such **war** veteran or surviving spouse applies for exemption on properties in two or more
43 counties, the total amount of the exemption allowed in all such counties shall not exceed *[\$8,750 or*
44 *\$11,670, whichever is applicable]* **the maximum amount of exemption under ORS 307.250.**

45 (2) For each qualified **war** veteran or surviving spouse only one valid and allowable claim for

1 an exemption on a homestead shall be permitted in any one assessment year.

2 **SECTION 4.** ORS 307.286 is amended to read:

3 307.286. (1) Upon compliance with ORS 307.289, there shall be exempt from taxation up to
4 \$60,000 of the assessed value of the homestead of any resident of this state who is:

5 (a) Serving in the Oregon National Guard, military reserve forces or organized militia of any
6 other state or territory of the United States; and

7 (b) Performing service[, *after a change in status from serving under Title 32 to serving*]:

8 (A) Under Title 10 of the United States Code[,] **or pursuant to a deployment made under the**
9 **authority of the Emergency Management Assistance Compact; and**

10 (B) For more than 178 consecutive days, **if at least one of the days falls within** [*during*] the
11 tax year for which the exemption is claimed.

12 (2) For each tax year beginning on or after July 1, [*2006*] **2002**, the amount of the exemption
13 allowed under subsection (1) of this section shall equal 103 percent of the amount of the exemption
14 for the prior tax year.

15 (3) **As used in this section, “homestead” means residential property that is owned by a**
16 **person described in subsection (1) of this section and that, but for military service, would**
17 **be occupied as a residence by the person.**

18 **SECTION 5.** ORS 307.289 is amended to read:

19 307.289. (1)(a) Each person qualifying for the exemption under ORS 307.286 shall file with the
20 county assessor, on forms supplied by the assessor, a claim in writing on or before [*April 1 of the*
21 *assessment year for which the exemption is claimed, except that when the property designated is ac-*
22 *quired after March 1 but prior to July 1, the claim for that year shall be filed within 30 days after the*
23 *date of acquisition*] **August 1 following the end of the tax year for which the exemption is**
24 **claimed.**

25 (b) [*Not later than April 10 of each year, the county assessor shall notify each qualifying person*
26 *in the county who secured an exemption under ORS 307.286 in the preceding year but who did not file*
27 *a claim for exemption on or before April 1 of the current year. The notice may be given on an unsealed*
28 *postal card.*] **Notwithstanding paragraph (a) of this subsection,** any person [*notified under this*
29 *subsection may secure the exemption, if the person is still qualified, by filing*] **may file** a claim for
30 exemption with the county assessor not later than [*May 1*] **December 31** of the [*current*] **assess-**
31 **ment year for which the person claims the exemption.** The person must include a [*late-filing*]
32 **late filing** fee of [*\$10*] **\$_____**, which shall be deposited in the general fund of the county for
33 general governmental expenses. If the claim for any year is not filed within the time specified, the
34 exemption may not be allowed on the assessment roll of that year. **If the claim is not accompanied**
35 **by the late filing fee, or if the late filing fee is not otherwise paid, no exemption shall be al-**
36 **lowed for the tax year based upon a claim filed pursuant to this paragraph.**

37 (2) The claim shall set out the basis of the claim and designate the property to which the ex-
38 emption may apply. Claims for exemptions under ORS 307.286 shall include a statement by the
39 claimant under oath or affirmation setting forth the basis for eligibility for the exemption. The claim
40 shall also include an affidavit or affirmation of the claimant that the statements contained therein
41 are true.

42 (3) **Notwithstanding subsection (1) of this section and ORS 307.286 (1), an individual de-**
43 **scribed in ORS 307.286 (1) who applies prior to the date on which service begins shall be al-**
44 **lowed the exemption if the claimant has written orders that require the performance of**
45 **service for at least one day during the tax year for which the exemption is being claimed and**

1 **the claimant is otherwise eligible for the exemption.**

2 [(3)(a)] (4)(a) Notwithstanding subsection (1) of this section **and ORS 307.286 (1)**, an individual
 3 who is lawfully occupying the homestead of the qualifying person may file a claim for the exemption
 4 under ORS 307.286 [at any time during the tax year] **by the time prescribed in subsection (1) of**
 5 **this section** if[.]

6 [(A)] the qualifying person died **while performing the service described in ORS 307.286**
 7 **(1)(b)(A)** during the **current or** prior tax year.[; or]

8 [(B) *The property was acquired after March 1 but prior to July 1 of the assessment year and the*
 9 *qualifying person died within 30 days of the date the property was acquired.*]

10 (b) The claim shall be allowed by the county assessor if the qualifying person met all of the
 11 qualifications for an exemption under ORS 307.286 prior to [being killed in action] **death**, other than
 12 the number of consecutive days of service [and the timely filing of a claim under subsection (1) of this
 13 section].

14 [(c)] (5) If taxes on the exempt value have been paid, the taxes shall be refunded in the manner
 15 prescribed in [paragraph (d) of this subsection] **subsection (6) of this section**. If taxes on the ex-
 16 empt value have not been paid, the taxes and any interest thereon shall be abated.

17 [(d)] (6) The tax collector shall notify the governing body of the county of any refund required
 18 under this section and the governing body shall cause a refund of the taxes and any interest paid
 19 to be made from the unsegregated tax collections account described in ORS 311.385. The refund
 20 under this subsection shall be made without interest. The county assessor and tax collector shall
 21 make the necessary corrections in the records of their offices.

22 **SECTION 6.** Section 5, chapter 520, Oregon Laws 2005, is amended to read:

23 **Sec. 5.** [Section 3 of this 2005 Act] **ORS 307.286** applies to qualifying persons [initially] ordered
 24 to federal active duty **or deployed under the authority of the Emergency Management Assist-**
 25 **ance Compact** on or after [January 1, 2005] **September 11, 2001**, and property for which an ex-
 26 emption is claimed for tax years beginning on or after July 1, [2005] **2001**.

27 **SECTION 7.** Section 6, chapter 520, Oregon Laws 2005, is amended to read:

28 **Sec. 6.** (1) Notwithstanding the [time periods] **deadline** set forth in [section 4 (1) of this 2005
 29 Act] **ORS 307.289 (1)**, for [the tax year beginning on July 1, 2005] **tax years beginning on or after**
 30 **July 1, 2001, and before July 1, 2007**, a qualifying person or lawful occupant of the homestead of
 31 a deceased qualifying person may file with the county assessor, on forms supplied by the assessor,
 32 a claim in writing within [60 days after the effective date of this 2005 Act] **180 days after the ef-**
 33 **fective date of this 2007 Act**.

34 (2) If taxes on the exempt value have been paid, the taxes shall be refunded in the manner
 35 prescribed in subsection (3) of this section. If taxes on the exempt value have not been paid, the
 36 taxes and any interest thereon shall be abated.

37 (3) The tax collector shall notify the governing body of the county of any refund required under
 38 this section and the governing body shall cause a refund of the taxes and any interest paid to be
 39 made from the unsegregated tax collections account described in ORS 311.385. The refund under this
 40 subsection shall be made without interest. The county assessor and tax collector shall make the
 41 necessary corrections in the records of their offices.

42 **SECTION 8.** **ORS 307.286 and 307.289 are added to and made a part of ORS chapter 307.**

43 **SECTION 9.** **This 2007 Act takes effect on the 91st day after the date on which the reg-**
 44 **ular session of the Seventy-fourth Legislative Assembly adjourns sine die.**