

# House Bill 3276

Sponsored by Representative CAMERON

## 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**.

Permits institution or organization claiming exemption from property taxation to file statement after late filing deadline.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to late filings for property tax exemptions; amending ORS 307.162; and prescribing an ef-  
3 fective date.

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

5 **SECTION 1.** ORS 307.162 is amended to read:

6 307.162. (1) Before any real or personal property may be exempted from taxation under ORS  
7 307.115, 307.118, 307.130 to 307.140, 307.145, 307.147, 307.150, 307.160 or 307.580 for any tax year, the  
8 institution or organization claiming the exemption shall file with the county assessor, on or before  
9 April 1 of the assessment year, a statement verified by the oath or affirmation of the president or  
10 other proper officer of the institution or organization, listing all real or personal property claimed  
11 to be exempt and showing the purpose for which such property is used. However:

12 (a) If the ownership of all property included in the statement filed with the county assessor for  
13 a prior year remains unchanged, a new statement shall not be required.

14 (b) When the property designated in the claim for exemption is acquired after March 1 and be-  
15 fore July 1, the claim for that year shall be filed within 30 days from the date of acquisition of the  
16 property.

17 (c) As used in this subsection, "ownership" means legal and equitable title.

18 (2) Notwithstanding subsection (1) of this section, a statement may be filed under this section  
19 on or before December 31 of the assessment year for which exemption is first desired. However,  
20 any statement filed after the time for filing the statement specified in subsection (1) of this section  
21 must be accompanied by a late filing fee of the greater of \$200, or one-tenth of one percent of the  
22 real market value of the property to which the statement pertains, as determined for the assessment  
23 year by the assessor for this purpose. If the statement is not accompanied by the late filing fee or  
24 if the late filing fee is not otherwise paid, no exemption shall be allowed for the tax year based upon  
25 a statement filed pursuant to this subsection. A statement may be filed under this section  
26 notwithstanding that there are no grounds for hardship as required for late filing under ORS 307.475.  
27 The value of the property used to determine the late filing fee under this section is appealable in  
28 the same manner as other acts of the county assessor. Any filing fee collected under this section  
29 shall be deposited to the county general fund.

30 (3)(a) Notwithstanding subsection (1) of this section, if an institution or organization owns  
31 property that is exempt from taxation under a provision of law listed in subsection (1) of this section

**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 and fails to make a timely application for exemption under subsection (1) **of this section or to file**  
 2 **a late statement under subsection (2)** of this section for additions or improvements to the exempt  
 3 property, the additions or improvements may nevertheless qualify for exemption.

4 (b) The **institution or** organization must file an application with the county assessor to have  
 5 the additions or improvements to the exempt property be exempt from taxation. The application  
 6 shall:

- 7 (A) Describe the additions or improvements to the exempt property;
- 8 (B) Describe the current use of the property that is the subject of the application;
- 9 (C) Identify the tax year and any preceding tax years for which the exemption is sought;
- 10 (D) Contain any other information required by the Department of Revenue; and

11 (E) Be accompanied by a late filing fee equal to the product of the number of tax years for  
 12 which exemption is sought multiplied by the greater of \$200 or one-tenth of one percent of the real  
 13 market value, as of the most recent assessment date, of the property that is the subject of the ap-  
 14 plication.

15 (c) Upon the county assessor's receipt of a completed application and late filing fee, the assessor  
 16 shall determine [if] **whether** the property that is the subject of the application, for each tax year  
 17 for which exemption is sought, would have qualified for exemption had a timely statement been filed  
 18 under subsection (1) **of this section or had a late statement been filed under subsection (2)** of  
 19 this section. Any property that would have qualified for exemption had a [timely] statement under  
 20 subsection (1) **or (2)** of this section been filed shall be exempt from taxation for each tax year for  
 21 which the property would have so qualified.

22 (d) An application for exemption under this subsection may be filed only for tax years for which  
 23 the time for filing a statement under subsections (1) and (2) of this section has expired. An applica-  
 24 tion filed under this subsection, however, may serve as the statement required under subsection (1)  
 25 of this section for the current assessment year.

26 (e) For each tax year for which an exemption granted pursuant to this subsection applies:

27 (A) Any tax, or interest attributable thereto, that was paid with respect to the property that is  
 28 declared exempt from taxation, shall be refunded. Refunds shall be made from the unsegregated tax  
 29 collections account established under ORS 311.385.

30 (B) Any tax, or interest attributable thereto, that remains unpaid as of the date the exemption  
 31 is granted[,] shall be abated.

32 (f) A late filing fee collected under this subsection shall be deposited in the county general fund.

33 **(4)(a) Notwithstanding subsections (1) and (2) of this section, if an institution or organ-**  
 34 **ization owns property that is exempt from taxation under a provision of law listed in sub-**  
 35 **section (1) of this section and fails to make a timely application for exemption under**  
 36 **subsection (1) of this section or to file a late statement under subsection (2) of this section,**  
 37 **the property may nevertheless qualify for exemption.**

38 (b) The **institution or organization must file an application with the county assessor to**  
 39 **have the property be exempt from taxation. The application shall:**

- 40 (A) **Describe the property;**
- 41 (B) **Describe the current use of the property that is the subject of the application;**
- 42 (C) **Identify the tax year and any preceding tax years for which the exemption is sought;**
- 43 (D) **Include a statement verified under oath or affirmation setting forth the basis for the**  
 44 **failure to file a statement under subsection (1) or (2) of this section;**
- 45 (E) **Contain any other information required by the Department of Revenue; and**

1 (F) Be accompanied by a late filing fee equal to the product of the number of tax years  
 2 for which exemption is sought multiplied by the greater of \$200 or one-tenth of one percent  
 3 of the real market value, as of the most recent assessment date, of the property that is the  
 4 subject of the application.

5 (c)(A) Upon the county assessor's receipt of a completed application and late filing fee,  
 6 the assessor shall determine whether the property that is the subject of the application, for  
 7 each tax year for which exemption is sought, would have qualified for exemption had a  
 8 statement been filed under subsection (1) or (2) of this section. If the assessor determines  
 9 that:

10 (i) The property would otherwise be exempt for the tax years at issue in the application  
 11 and that the basis for the failure to file a statement under subsection (1) or (2) is sufficient  
 12 to excuse the failure to file, the property that would have qualified for exemption had a  
 13 statement under subsection (1) or (2) of this section been filed shall be exempt from taxation  
 14 for each tax year for which the property would have so qualified.

15 (ii) The property would not otherwise be exempt for the tax years at issue in the appli-  
 16 cation or that the basis for the failure to file a statement under subsection (1) or (2) is not  
 17 sufficient to excuse the failure to file, the assessor may deny the application in whole or in  
 18 part.

19 (B) In making the determination under subparagraph (A) of this paragraph, the assessor  
 20 may take into account whether the institution or organization has previously filed a late  
 21 application for exemption under this section.

22 (C) The determination of the assessor under this subsection as to whether to allow the  
 23 application is final.

24 (D) The assessor shall notify the institution or organization of the determination under  
 25 this subsection.

26 (d) An application for exemption under this subsection may be filed only for tax years for  
 27 which the time for filing a statement under subsections (1) and (2) of this section has ex-  
 28 pired. An application filed under this subsection, however, may serve as the statement re-  
 29 quired under subsection (1) of this section for the current assessment year.

30 (e) For each tax year for which an exemption granted pursuant to this subsection applies:

31 (A) Any tax, or interest attributable thereto, that was paid with respect to the property  
 32 that is declared exempt from taxation, shall be refunded. Refunds shall be made from the  
 33 unsegregated tax collections account established under ORS 311.385.

34 (B) Any tax, or interest attributable thereto, that remains unpaid as of the date the ex-  
 35 emption is granted shall be abated.

36 (f) A late filing fee collected under this subsection shall be deposited in the county gen-  
 37 eral fund.

38 [(4)] (5) If an institution or organization owns property that is exempt from taxation under a  
 39 provision of law listed in subsection (1) of this section and changes the use of the property to a use  
 40 that would not entitle the property to exemption from taxation, the institution or organization shall  
 41 notify the county assessor of the change to a taxable use within 30 days of the change in use.

42 **SECTION 2.** This 2007 Act takes effect on the 91st day after the date on which the reg-  
 43 ular session of the Seventy-fourth Legislative Assembly adjourns sine die.