

SENATE AMENDMENTS TO SENATE BILL 1077

By COMMITTEE ON SERVICES TO SENIORS AND PEOPLE WITH DISABILITIES

February 11

On page 1 of the printed bill, delete lines 4 through 31 and delete page 2 and insert:

SECTION 1. Sections 2 and 3 of this 2008 Act are added to and made a part of ORS chapter 315.

SECTION 2. As used in this section and section 3 of this 2008 Act:

“(1) ‘Dwelling unit’ means:

“(a) A structure or part of a structure providing independent living facilities for the use of one or more persons that has space for eating, living and sleeping and permanent facilities for cooking and sanitation; and

“(b) The land supporting the structure or associated with the structure.

“(2) ‘Principal residence’ means:

“(a) Real or personal property located in Oregon that is owned and occupied as a dwelling unit by a taxpayer; and

“(b) If the dwelling unit is located in a structure with multiple dwelling units, the portion of the structure used as the dwelling unit and the percentage of the common elements and of the tax lot upon which the structure is built that is attributed by annual assessment to the dwelling unit.

“(3) ‘Taxpayer’ means a person whose principal residence is subject to a property tax levied by a political subdivision of this state.

SECTION 3. (1) A taxpayer shall be allowed a credit against the taxes otherwise due under ORS chapter 316, in an amount determined under subsection (4) of this section, for property taxes paid or incurred by the taxpayer during the income tax year on a principal residence if:

“(a) The taxpayer is 75 years of age or older on December 31 of the tax year for which the credit is claimed;

“(b) The taxpayer owns and occupies the principal residence, or jointly owns and occupies the principal residence with the spouse of the taxpayer, throughout the tax year for which the credit is claimed;

“(c) The taxpayer has a household income, as defined in ORS 310.630, that does not exceed \$24,999;

“(d) The amount of property tax assessed against the principal residence for the property tax year that begins in the income tax year for which the credit is claimed is equal to or exceeds 6.5 percent of the taxpayer’s household income, as defined in ORS 310.630; and

“(e) During the tax year for which the credit is claimed, the taxpayer or the spouse of the taxpayer paid, as provided in ORS 311.505, the property taxes assessed against the primary residence for the property tax year that begins in the income tax year for which the

1 credit is claimed.

2 “(2) For the purposes of subsection (1)(b) of this section, a taxpayer owns a residence if
3 the taxpayer:

4 “(a) Is the holder of record title, either alone or with others, to a fee simple estate in the
5 property, a life estate in the property or the right to possession of the property under a trust
6 instrument or contract of sale;

7 “(b) Is the registered owner, either alone or with others, of a manufactured dwelling or
8 floating home; or

9 “(c) Is a tenant-stockholder of a cooperative housing corporation.

10 “(3) A taxpayer’s ability to claim a credit under this section is not affected by a tempo-
11 rary absence of limited duration from the principal residence. Any absence for three months
12 or less during the tax year, or any absence due to illness, is a temporary absence of limited
13 duration for the purposes of this subsection.

14 “(4) The amount of the credit allowed under this section in any one income tax year is
15 the lesser of:

16 “(a) The amount by which the property tax assessed on the principal residence for the
17 property tax year that begins in the income tax year for which the credit is claimed exceeds
18 6.5 percent of the taxpayer’s household income, as defined in ORS 310.630; or

19 “(b) \$300.

20 “(5)(a) If a taxpayer changes status from a resident to a nonresident or changes status
21 from a nonresident to a resident, the credit allowed under this section shall be determined
22 in a manner consistent with ORS 316.117.

23 “(b) If the taxable year of a taxpayer changes as described in ORS 314.085, or if the De-
24 partment of Revenue terminates the taxpayer’s taxable year under ORS 314.440, the credit
25 allowed under this section shall be prorated or computed in a manner consistent with ORS
26 314.085.

27 “(6) Subject to the limitations set forth in subsection (4) of this section, any tax credit
28 otherwise allowable under this section that is not used by the taxpayer in a tax year may
29 be carried forward and offset against the taxpayer’s tax liability for the next succeeding tax
30 year. Any credit remaining unused in the next succeeding tax year may be carried forward
31 and used in the second succeeding tax year. Any credit not used in the second succeeding
32 tax year may be carried forward and used in the third succeeding tax year. Any credit not
33 used in the third succeeding tax year may be carried forward and used in the fourth suc-
34 ceeding tax year, but may not be carried forward for any tax year after the fourth succeed-
35 ing tax year.

36 “(7) A taxpayer may not claim a tax credit under this section for any portion of a
37 dwelling unit that is rented to any person other than the taxpayer.

38 “(8) A taxpayer or the taxpayer’s spouse may not claim a tax credit under this section
39 for more than one principal residence.

40 “(9) A taxpayer may not claim a tax credit under this section if the taxpayer is receiving
41 a deferral of homestead property taxes under ORS 311.666 to 311.701 for the income tax year
42 for which a credit under this section is sought or for the next income tax year.

43 “SECTION 4. Sections 2 and 3 of this 2008 Act apply to income tax years beginning on
44 or after January 1, 2009.”.