

75TH OREGON LEGISLATIVE ASSEMBLY  
STAFF MEASURE SUMMARY  
SENATE FINANCE AND REVENUE COMMITTEE

MEASURE: SB 394 A  
CARRIER: Sen. Rosenbaum

REVENUE: Yes – Revenue Impact

FISCAL: Yes – Minimal Fiscal Impact

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Action: Do Pass with Amendment

Vote: 4-0-1

Yeas: Hass, Rosenbaum, Telfer, Burdick

Nays: 0

Exc.: Morse

Prepared By: Dae Baek, Economist

Meeting Dates: 2/16, 2/19

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**WHAT THE BILL DOES:** Changes mandatory minimum refund of overpaid property taxes to more than \$10 and stipulates that tax collector cancel uncollected deficient property taxes of \$10 or less when property taxes are collected in advance of extension on the tax roll. Takes effect on the 91<sup>st</sup> day after the date on which the regular session of the 75<sup>th</sup> Legislative Assembly adjourns sine die.

**ISSUES DISCUSSED:**

- Cases when pre-collection of property taxes are warranted

**EFFECT OF COMMITTEE AMENDMENTS:**

- Clarifies that mandatory refund of overpaid property taxes applies to excess payment of more than \$10.

**BACKGROUND:** ORS Chapter 311 states laws related to collection of property taxes. In particular ORS 311.370 states rules for refunds of excess collections and cancellation of deficiencies when property taxes on certain properties are collected by law before the extension on the tax roll in November. ORS 311.370(1) references instances when collections of property taxes are made prior to extension on the tax roll. Instances include severance or removal of improvements from the land and disqualification from special assessment.

The current law requires that overpaid taxes in this case be refunded if excess payment is \$5 or more. However, sections of ORS 311 related to refunds in general state that mandatory minimum refund applies only to overpayment of more than \$10.