

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

**MEASURE: SB 594
CARRIER: Sen. Hass**

REVENUE: Yes – Revenue Impact Issued

FISCAL: Yes – Minimal Fiscal Impact

Action: Do Pass

Vote: 5-0-0

Yeas: Hass, Telfer, Rosenbaum, Morse, Burdick

Nays: none

Exc.: none

Prepared By: Dae Baek, Economist

Meeting Dates: 3/17, 3/26

WHAT THE BILL DOES: Permits property tax exemption claim for cemetery and crematory property regardless of claimant's organizational structure or state of organization. Permits claim for exemption for tax years beginning on or after July 1, 2008. Allows late filing for exemption claims and specifies late filing procedure. Takes effect on the 91st day after adjournment sine die.

ISSUES DISCUSSED:

- Property tax exemption of burial ground properties
- Interpretation of ORS 307.022 in relation to property tax exemption for cemetery and crematory property
- Why statutory change was needed

EFFECT OF COMMITTEE AMENDMENTS: None

BACKGROUND: ORS 307.150 states that certain qualified cemeteries and crematory associations shall be exempt from property taxation. The current law specifies that eligible properties are to be owned and actually occupied or owned by any cemetery or crematory associations incorporated under the laws of Oregon.

However, ORS 307.022 that passed in the 2005 legislative session was interpreted by Clackamas County to assess property tax on a cemetery in the county. According to Cemetery Association of Oregon, there has been no other case of property taxation of qualified cemetery properties regardless of organizational structures. The amount of FY 2008-09 property taxes in the Clackamas County case is \$18,453.40.

State of Oregon 2009-11 Tax Expenditure Report has the revenue loss from this exemption at \$5.2 million. This bill does not change that exemption statute but clarifies that property tax exemption claims for cemetery and crematory property are granted regardless of claimant's organizational structure or state of organization.

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