

House Bill 2474

Sponsored by COMMITTEE ON REVENUE

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**.

Reduces discount on payment of property taxes.
Applies to property tax years beginning on or after July 1, 2008.
Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to property tax collection; creating new provisions; amending ORS 311.392 and 311.505;
3 prescribing an effective date; and providing for revenue raising that requires approval by a
4 three-fifths majority.

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

6 **SECTION 1.** ORS 311.505 is amended to read:

7 311.505. (1) Except as provided in subsection (6) of this section, the first one-third of all taxes
8 and other charges due from the taxpayer or property, levied or imposed and charged on the latest
9 tax roll, shall be paid on or before November 15, the second one-third on or before February 15, and
10 the remaining one-third on or before May 15 next following.

11 (2) Interest shall be charged and collected on any taxes on property, other charges, and on any
12 additional taxes or penalty imposed for disqualification of property for special assessment or ex-
13 emption, or installment thereof not paid when due, at the rate of one and one-third percent per
14 month, or fraction of a month until paid.

15 (3) Discounts shall be allowed on partial or full payments of such taxes, made on or before No-
16 vember 15 as follows:

17 (a) [*Two*] **One** percent on two-thirds of such taxes so paid.

18 (b) [*Three*] **Two** percent where all of such taxes are so paid.

19 (4) For purposes of this section, "taxes" includes all taxes on property as defined in ORS 310.140
20 and certified to the assessor under ORS 310.060 except taxes assessed on any other property which
21 have by any means become a lien against the property for which the payment was made.

22 (5) All interest collected and all discounts allowed shall be prorated to the several municipal
23 corporations, taxing districts and governmental agencies sharing in the taxes or assessments.

24 (6) If the total property tax is less than \$40, no installment payment of taxes shall be allowed.

25 **SECTION 2.** ORS 311.392 is amended to read:

26 311.392. (1) If, in the discretion of the county court, it is more economical to advance to those
27 municipalities from the general fund of the county the total amount of taxes, assessments or other
28 charges levied against property in the county, the county court may advance from the general fund
29 of the county the full amount of the taxes, assessments and charges levied by those subdivisions and
30 the county court may order the county tax collector to revise the tax distribution schedule provided
31 by ORS 311.390 so that all taxes, assessments and charges advanced by the county will be allocated

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 to the county. If the county makes the payments provided in this section, it shall have no recourse
2 against the political subdivision for recovery of the shrinkage in collections from that anticipated
3 at the time the payment was made.

4 (2) If the county advances taxes under this subsection, before December 1 of each year, it may
5 deduct from the levy the *[three]* **two** percent discount **under ORS 311.505**, which would have been
6 given by the district had all of the taxes been paid by November 15 and turned over to the district
7 on or before December 1 of each year. If the payment is made after December 1, no discount shall
8 be taken by the county.

9 **SECTION 3. The amendments to ORS 311.505 by section 1 of this 2009 Act apply to**
10 **property tax years beginning on or after July 1, 2008.**

11 **SECTION 4. This 2009 Act takes effect on the 91st day after the date on which the reg-**
12 **ular session of the Seventy-fifth Legislative Assembly adjourns sine die.**

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