

House Bill 2496

Sponsored by Representative ROBLAN; Representative BOONE, Senator BURDICK (at the request of Florence Area Humane Society)

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**.

Authorizes property tax exemptions for qualified welfare programs that benefit animals. Permits qualified welfare programs to apply for refund or abatement of property taxes.

Applies to tax years beginning on and after July 1, 2002.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to property tax exemptions for charitable organizations; creating new provisions; amending
3 ORS 307.130; and prescribing an effective date.

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

5 **SECTION 1.** ORS 307.130, as amended by section 4, chapter 45, Oregon Laws 2008, is amended
6 to read:

7 307.130. (1) As used in this section:

8 **(a) "Animal welfare program" means an organization that provides food, shelter or**
9 **veterinary care, including dental service, to animals without charge.**

10 *[(a)]* **(b) "Art museum" means a nonprofit corporation organized to display works of art to the**
11 **public.**

12 *[(b)]* **(c) "Internal Revenue Code" means the federal Internal Revenue Code as amended and in**
13 **effect on December 31, 2007.**

14 *[(c)]* **(d) "Nonprofit corporation" means a corporation that:**

15 **(A) Is organized not for profit, pursuant to ORS chapter 65 or any predecessor of ORS chapter**
16 **65; or**

17 **(B) Is organized and operated as described under section 501(c) of the Internal Revenue Code.**

18 **(e) "Rehabilitation facility" means either those facilities defined in ORS 344.710 or facili-**
19 **ties that provide individuals who have physical, mental or emotional disabilities with occu-**
20 **pational rehabilitation activities of an educational or therapeutic nature, even if**
21 **remuneration is received by the individual.**

22 *[(d)]* **(f) "Volunteer fire department" means a nonprofit corporation organized to provide fire**
23 **protection services in a specific response area.**

24 **(g) "Welfare program" means the providing of food, shelter, clothing or health care, in-**
25 **cluding dental service, to needy persons without charge.**

26 **(2) Upon compliance with ORS 307.162, the following property owned or being purchased by art**
27 **museums, volunteer fire departments, or incorporated literary, benevolent, charitable and scientific**
28 **institutions shall be exempt from taxation:**

29 **(a) Except as provided in ORS 748.414, only such real or personal property, or proportion**
30 **thereof, as is actually and exclusively occupied or used in the literary, benevolent, charitable or**

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 scientific work carried on by such institutions.

2 (b) Parking lots used for parking or any other use as long as that parking or other use is per-
 3 mitted without charge for no fewer than 355 days during the tax year.

4 (c) All real or personal property of a rehabilitation facility or any retail outlet thereof, including
 5 inventory. [As used in this subsection, “rehabilitation facility” means either those facilities defined in
 6 ORS 344.710 or facilities which provide individuals who have physical, mental or emotional disabilities
 7 with occupational rehabilitation activities of an educational or therapeutic nature, even if remuneration
 8 is received by the individual.]

9 (d) All real and personal property of a retail store dealing exclusively in donated inventory,
 10 [where] if:

11 (A) The inventory is distributed without cost as part of a welfare program **or animal welfare**
 12 **program**; or

13 (B) [where] The proceeds of the sale of any inventory sold to the general public are used to
 14 support a welfare program **or animal welfare program**. [As used in this subsection, “welfare pro-
 15 gram” means the providing of food, shelter, clothing or health care, including dental service, to needy
 16 persons without charge.]

17 (e) All real and personal property of a retail store if:

18 (A) The retail store deals primarily and on a regular basis in donated and consigned inventory;

19 (B) The individuals who operate the retail store are all individuals who work as volunteers; and

20 (C) The inventory is either distributed without charge as part of a welfare program **or animal**
 21 **welfare program**, or sold to the general public and the sales proceeds used exclusively to support
 22 a welfare program **or animal welfare program**. As used in this paragraph, “primarily” means at
 23 least one-half of the inventory.

24 (f) The real and personal property of an art museum that is used in conjunction with the public
 25 display of works of art or used to educate the public about art, but not including any portion of the
 26 art museum’s real or personal property that is used to sell, or hold out for sale, works of art, re-
 27 productions of works of art or other items to be sold to the public.

28 (g) All real and personal property of a volunteer fire department that is used in conjunction with
 29 services and activities for providing fire protection to all residents within a fire response area.

30 (h) All real and personal property, including inventory, of a retail store owned by a nonprofit
 31 corporation if:

32 (A) The retail store deals exclusively in donated inventory; and

33 (B) Proceeds of the retail store sales are used to support a not-for-profit housing program whose
 34 purpose is to:

35 (i) Acquire property and construct housing for resale to individuals at or below the cost of ac-
 36 quisition and construction; and

37 (ii) Provide loans bearing no interest to individuals purchasing housing through the program.

38 (3) An art museum or institution shall not be deprived of an exemption under this section solely
 39 because its primary source of funding is from one or more governmental entities.

40 (4) An institution shall not be deprived of an exemption under this section because its purpose
 41 or the use of its property is not limited to relieving pain, alleviating disease or removing constraints.

42 **SECTION 2. (1) Notwithstanding the time periods set forth in ORS 307.162, an animal**
 43 **welfare program qualifying for exemption from property taxation under ORS 307.130 may file**
 44 **a claim in writing with the county assessor, on forms supplied by the assessor, by April 1,**
 45 **2010. A claim for exemption for multiple tax years must specify the tax years for which the**

1 animal welfare program claims the exemption.

2 (2) If taxes on the exempt value have been paid, the taxes shall be refunded in the man-
3 ner prescribed in subsection (3) of this section. If taxes on the exempt value have not been
4 paid, the taxes and any interest thereon shall be abated.

5 (3) The tax collector shall notify the governing body of the county of any refund required
6 under this section. Upon receipt of notice from the tax collector, the governing body shall
7 cause a refund of the taxes and any interest paid to be made from the unsegregated tax
8 collections account described in ORS 311.385. The refund under this subsection shall be made
9 without interest. The county assessor and tax collector shall make the necessary corrections
10 in the records of their offices.

11 SECTION 3. Section 2 of this 2009 Act is repealed on January 2, 2012.

12 SECTION 4. Section 2 of this 2009 Act and the amendments to ORS 307.130 by section 1
13 of this 2009 Act apply to property tax years beginning on or after July 1, 2002.

14 SECTION 5. This 2009 Act takes effect on the 91st day after the date on which the reg-
15 ular session of the Seventy-fifth Legislative Assembly adjourns sine die.

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