

A-Engrossed
House Bill 3612

Ordered by the House February 15
Including House Amendments dated February 15

Sponsored by Representative BUCKLEY, Senator BATES (Presession filed.)

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.

Allows repayment, one tax year at time, of additional ad valorem property taxes owing due to correction of error [*or omission of property*] in prior tax years.

Applies to [*property tax years beginning on or after July 1, 2010*] **corrections made to assessment and tax rolls on or after effective date of Act.**

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to additional property taxes; creating new provisions; amending ORS 311.206; and pre-
3 scribing an effective date.

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

5 **SECTION 1.** ORS 311.206 is amended to read:

6 311.206. (1)(a) Except as provided in [*paragraph (b) of this subsection*] **subsections (4) and (5)**
7 **of this section**, when the roll is corrected under ORS 311.205, and taxes are added to the roll, the
8 additional taxes shall be added to the tax extended against the property on the general property tax
9 roll for the tax year [*following the current tax year*] **determined under subsections (2) and (3) of**
10 **this section**, to be collected and distributed in the same manner as other ad valorem property taxes
11 imposed on the property.

12 **(b)** Notwithstanding ORS 311.205 (2)(b), for purposes of collection and enforcement, the addi-
13 tional taxes added to the roll under [*this subsection*] **subsections (1) to (4) of this section** shall
14 be considered delinquent as of the date the other taxes for the year in which the additional taxes
15 are added to the roll become delinquent.

16 **(2)** When taxes for a single tax year are added to an assessment and tax roll under sub-
17 section (1)(a) of this section, the additional taxes shall be added to the tax extended against
18 the property on the general property tax roll for the tax year following the tax year in which
19 the correction is made.

20 **(3)(a)** When taxes for more than one tax year are added to an assessment and tax roll
21 under subsection (1)(a) of this section, the additional taxes for the earliest tax year shall be
22 added to the tax extended against the property on the general property tax roll for the tax
23 year following the tax year in which the correction is made and additional taxes for each
24 subsequent tax year through the tax year in which the correction is made shall be added in
25 chronological order to the tax extended against the property on the general property tax roll
26 for the second, third, fourth, fifth and sixth tax years, as necessary, following the tax year

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 in which the correction is made.

2 (b) For each tax year in which the additional tax is deferred under this subsection, the
3 county assessor shall enter the notation “deferred additional tax liability” on the assessment
4 and tax roll. The notation shall continue to appear on subsequent assessment and tax rolls
5 until all the additional taxes have been added as required under this subsection. If the
6 property is sold or otherwise transferred, or is moved out of the county, the lien for the
7 taxes added under this subsection shall attach and the taxes are due and payable as of the
8 day before the sale or transfer, or, if the property is removed from the county, five days
9 before the removal, whichever is earlier. Additional taxes on personal property or a manu-
10 factured structure imposed as a result of an error corrected under ORS 311.205 is a personal
11 debt due and owing from the owner to which ORS 311.455 applies.

12 (4) When additional taxes are added to the roll as the result of a request from the De-
13 partment of Revenue as described in ORS 311.205 (1)(c), the additional taxes shall be added
14 to the tax extended against the property on the general property tax roll for the tax year
15 following the current tax year, to be collected and distributed in the same manner as other
16 ad valorem property taxes imposed on the property.

17 [(b)] (5) When additional taxes are added to the roll as the result of an order described in ORS
18 311.205 (1)(d), the additional taxes shall be collected as provided in ORS 311.513.

19 [(2)] (6) Notwithstanding subsection (1) of this section or other provision of law establishing the
20 delinquency date for additional taxes, additional taxes may not be assessed and imposed if the cor-
21 rection is a result of:

- 22 (a) The disqualification of property from a tax exemption granted erroneously by a tax official;
23 or
24 (b) The failure by a tax official to timely disqualify property from a tax exemption.

25 [(3)] (7) Subsection [(2)] (6) of this section does not apply to a failure by a tax official to timely
26 disqualify property from a tax exemption if the property owner fails to timely notify the assessor
27 of a change in use of the property to a nonexempt use.

28 [(4)] (8)(a) Except as provided in paragraph (b) of this subsection, additional taxes arising
29 from a correction under ORS 311.205 may be paid to the tax collector prior to the completion of the
30 next general property tax roll, pursuant to ORS 311.370.

31 (b) The amount to be added to the tax extended against the property under subsection
32 (3)(a) of this section may be paid to the tax collector prior to the completion of the tax roll
33 to which the tax is to be added, pursuant to ORS 311.370. The tax collector may apply pre-
34 payments of additional taxes under this paragraph for one or more future years to the taxes
35 imposed on the next following assessment and tax roll.

36 [(5)] (9) For purposes of this section, “additional taxes” includes increases in taxes that have
37 already been extended on the roll.

38 **SECTION 2. The amendments to ORS 311.206 by section 1 of this 2010 Act apply to cor-**
39 **rections to the roll made on or after the effective date of this 2010 Act.**

40 **SECTION 3. This 2010 Act takes effect on the 91st day after the date on which the special**
41 **session of the Seventy-fifth Legislative Assembly adjourns sine die.**