

Senate Bill 470

Sponsored by Senator GEORGE (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 **as introduced**.

Reduces monthly interest on delinquent property tax payments to lesser of prime rate plus one percent, multiplied by one-twelfth, or two-thirds of one percent.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to property taxation; amending ORS 311.505; and prescribing an effective date.

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

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

5 311.505. (1) Except as provided in subsection (6) of this section, the first one-third of all taxes
6 and other charges due from the taxpayer or property, levied or imposed and charged on the latest
7 tax roll, shall be paid on or before November 15, the second one-third on or before February 15, and
8 the remaining one-third on or before May 15 next following.

9 (2)(a) Interest shall be charged and collected on any taxes on property, other charges, and on
10 any additional taxes or penalty imposed for disqualification of property for special assessment or
11 exemption, or installment thereof not paid when due, [*at the rate of one and one-third percent*] **pay-**
12 **able** per month[,] or fraction of a month until paid, **at a rate equal to the lesser of:**

13 **(A) The prime rate on the date the amounts owing become delinquent plus one percent,**
14 **multiplied by one-twelfth; or**

15 **(B) Two-thirds of one percent.**

16 **(b) As used in this subsection, "prime rate" means the primary credit rate of the dis-**
17 **count window program of the United States Federal Reserve System.**

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

20 (a) Two percent on two-thirds of such taxes so paid.

21 (b) Three percent where all of such taxes are so paid.

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

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

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

28 **SECTION 2. This 2011 Act takes effect on the 91st day after the date on which the 2011**
29 **session of the Seventy-sixth Legislative Assembly adjourns sine die.**

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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.