

HOUSE AMENDMENTS TO HOUSE BILL 4041

By COMMITTEE ON REVENUE

February 13

1 On page 1 of the printed bill, line 2, after “property;” insert “creating new provisions;” and after
2 “307.112” insert “, 307.162”.

3 In line 19, after “(3)” insert “(a)”.

4 After line 22, insert:

5 “(b) Property described in paragraph (a) of this subsection that may be exempt from taxation
6 as property used exclusively for low income rental housing includes, without limitation, property
7 that:

8 “(A) Is held under lease or a lease purchase agreement by an eligible Indian tribe;

9 “(B)(i) Is the property of a partnership, nonprofit corporation or limited liability company of
10 which an eligible Indian tribe is a general partner, limited partner, director, member, manager or
11 general manager; and

12 “(ii) Is leased or rented to low income persons for housing purposes; or

13 “(C) Is used exclusively for an activity that qualifies as an affordable housing activity under 25
14 U.S.C. 4132.

15 “(c) Property described in paragraph (a) of this subsection may not be exempt from taxation as
16 property that is used exclusively for low income rental housing unless:

17 “(A) The requirements of ORS 307.543 have been satisfied;

18 “(B) The property is offered for rent or is held for the purpose of developing low income rental
19 housing;

20 “(C) If occupied, the property is occupied solely by low income persons; and

21 “(D) The property is located in a county in which more than 10 percent of the enrolled members
22 of the eligible Indian tribe reside.”.

23 On page 2, delete lines 10 and 11 and insert:

24 “(vi) Low income rental housing;”.

25 Delete lines 15 and 16 and insert:

26 “(C) Other than services related to the uses of property described in subsection (3)(c) of this
27 section, do not generate income.

28 “(c) ‘Low income’:

29 “(A) Means income at or below 60 percent of the area median income as determined by the State
30 Housing Council based on information from the United States Department of Housing and Urban
31 Development.

32 “(B) For purposes of projects undertaken pursuant to the Native American Housing Assistance
33 and Self-Determination Act of 1996 (P.L. 104-330), includes income that qualifies under 24 C.F.R.
34 5.609.”.

35 In line 17, delete “(c)” and insert “(d)”.

1 On page 3, after line 17, insert:

2 “**SECTION 3.** ORS 307.162 is amended to read:

3 “307.162. (1)(a) Before any real or personal property may be exempted from taxation under ORS
4 307.115, 307.118, 307.130 to 307.140, 307.145, 307.147, 307.150, 307.160, **307.181 (3)** or 307.580 for any
5 tax year, the institution or organization entitled to claim the exemption must file a claim with the
6 county assessor, on or before April 1 preceding the tax year for which the exemption is claimed.
7 The claim must contain statements, verified by the oath or affirmation of the president or other
8 proper officer of the institution or organization, that:

9 “(A) List all real property claimed to be exempt and show the purpose for which the real prop-
10 erty is used; and

11 “(B) Cite the statutes under which exemption for personal property is claimed.

12 “(b) If the ownership of all property included in the claim filed with the county assessor for a
13 prior year remains unchanged, a new claim is not required.

14 “(c) When the property designated in the claim for exemption is acquired after March 1 and
15 before July 1, the claim for that year must be filed within 30 days from the date of acquisition of
16 the property.

17 “(2)(a) Notwithstanding subsection (1) of this section, a claim may be filed under this section for
18 the current tax year:

19 “(A) On or before December 31 of the tax year, if the claim is accompanied by a late filing fee
20 of the greater of \$200, or one-tenth of one percent of the real market value as of the most recent
21 assessment date of the property to which the claim pertains.

22 “(B) On or before April 1 of the tax year, if the claim is accompanied by a late filing fee of \$200
23 and the claimant demonstrates good and sufficient cause for failing to file a timely claim, is a
24 first-time filer or is a public entity described in ORS 307.090.

25 “(b)(A) Notwithstanding subsection (1) of this section, a claimant that demonstrates good and
26 sufficient cause for failing to file a timely claim, is a first-time filer or is a public entity described
27 in ORS 307.090 may file a claim under this section for the five tax years prior to the current tax
28 year:

29 “(i) Within 60 days after the date on which the county assessor mails notice of additional taxes
30 owing under ORS 311.206 for the property to which the claim filed under this subparagraph pertains;
31 or

32 “(ii) At any time if no notice is mailed.

33 “(B) A claim filed under this paragraph must be accompanied by a late filing fee of the greater
34 of \$200, or one-tenth of one percent of the real market value as of the most recent assessment date
35 of the property to which the claim pertains, multiplied by the number of prior tax years for which
36 exemption is claimed.

37 “(c) If a claim filed under this subsection is not accompanied by the late filing fee or if the late
38 filing fee is not otherwise paid, an exemption may not be allowed for the tax years sought by the
39 claim. A claim may be filed under this subsection notwithstanding that there are no grounds for
40 hardship as required for late filing under ORS 307.475.

41 “(d) The value of the property used to determine the late filing fee under this subsection and
42 the determination of the county assessor relative to a claim of good and sufficient cause are
43 appealable in the same manner as other acts of the county assessor.

44 “(e) A late filing fee collected under this subsection must be deposited in the county general
45 fund.

1 “(3) As used in this section:

2 “(a) ‘First-time filer’ means a claimant that:

3 “(A) Has never filed a claim for the property that is the subject of the current claim; and

4 “(B) Did not receive notice from the county assessor on or before December 1 of the tax year

5 for which exemption is claimed regarding the potential property tax liability of the property.

6 “(b)(A) ‘Good and sufficient cause’ means an extraordinary circumstance beyond the control of

7 the taxpayer or the taxpayer’s agent or representative that causes the failure to file a timely claim.

8 “(B) ‘Good and sufficient cause’ does not include hardship, reliance on misleading information

9 unless the information is provided by an authorized tax official in the course of the official’s duties,

10 lack of knowledge, oversight or inadvertence.

11 “(c) ‘Ownership’ means legal and equitable title.

12 “(4)(a) Notwithstanding subsection (1) of this section, if an institution or organization owns

13 property that is exempt from taxation under a provision of law listed in subsection (1) of this section

14 and fails to file a timely claim for exemption under subsection (1) of this section for additions or

15 improvements to the exempt property, the additions or improvements may nevertheless qualify for

16 exemption.

17 “(b) The organization must file a claim for exemption with the county assessor to have the ad-

18 ditions or improvements to the exempt property be exempt from taxation. The claim must:

19 “(A) Describe the additions or improvements to the exempt property;

20 “(B) Describe the current use of the property that is the subject of the application;

21 “(C) Identify the tax year and any preceding tax years for which the exemption is sought;

22 “(D) Contain any other information required by the Department of Revenue; and

23 “(E) Be accompanied by a late filing fee equal to the product of the number of tax years for

24 which exemption is sought multiplied by the greater of \$200 or one-tenth of one percent of the real

25 market value as of the most recent assessment date of the property that is the subject of the claim.

26 “(c) Upon the county assessor’s receipt of a completed claim and late filing fee, the assessor

27 shall determine for each tax year for which exemption is sought whether the additions or improve-

28 ments that are the subject of the claim would have qualified for exemption had a timely claim been

29 filed under subsection (1) of this section. Any property that would have qualified for exemption had

30 a timely claim been filed under subsection (1) of this section is exempt from taxation for each tax

31 year for which the property would have qualified.

32 “(d) A claim for exemption under this subsection may be filed only for tax years for which the

33 time for filing a claim under subsections (1) and (2)(a) of this section has expired. A claim filed under

34 this subsection, however, may serve as the claim required under subsection (1) of this section for

35 the current tax year.

36 “(e) A late filing fee collected under this subsection must be deposited in the county general

37 fund.

38 “(5) For each tax year for which an exemption granted pursuant to subsection (2) or (4) of this

39 section applies:

40 “(a) Any tax, or interest attributable thereto, that was paid with respect to the property that

41 is declared exempt from taxation must be refunded. Refunds must be made without interest from the

42 unsegregated tax collections account established under ORS 311.385.

43 “(b) Any tax, or interest attributable thereto, that remains unpaid as of the date the exemption

44 is granted must be abated.

45 “(6) If an institution or organization owns property that is exempt from taxation under a pro-

1 vision of law listed in subsection (1) of this section and changes the use of the property to a use that
2 would not entitle the property to exemption from taxation, the institution or organization must no-
3 tify the county assessor of the change to a taxable use within 30 days.

4 **“SECTION 4. The amendments to ORS 307.162 by section 3 of this 2012 Act apply to tax**
5 **years beginning on or after July 1, 2012.”**

6 In line 18, delete “3” and insert “5”.

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