

Senate Bill 1514

Sponsored by Senator BATES; Senator ATKINSON, Representative BUCKLEY (Pre-session 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**.

Authorizes property tax special assessment for primary residence rebuilt within two years after destruction by fire or act of God.

Applies to property tax years beginning on or after July 1, 2009.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to special assessment for primary residence rebuilt after destruction; and prescribing an
3 effective date.

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

5 **SECTION 1. Sections 2 to 5 of this 2012 Act are added to and made a part of ORS chapter**
6 **308.**

7 **SECTION 2. A rebuilt residence, including an attached garage, if any, may be specially**
8 **assessed under section 4 of this 2012 Act if:**

9 (1) **The rebuilt residence stands on the same lot as a destroyed residence;**

10 (2) **The destroyed residence was destroyed due to fire or act of God;**

11 (3) **The rebuilt residence is, and the destroyed residence was, the primary residence of**
12 **the owner;**

13 (4) **The owner began construction work on the rebuilt residence within two years of the**
14 **date on which the destroyed residence was destroyed; and**

15 (5) **The owner has filed an application that complies with section 3 of this 2012 Act.**

16 **SECTION 3. (1) An owner of a rebuilt residence seeking special assessment for the rebuilt**
17 **residence under section 4 of this 2012 Act must apply to the assessor of the county in which**
18 **the rebuilt residence is located, on or before April 1 preceding the first property tax year for**
19 **which special assessment under section 4 of this 2012 Act is sought.**

20 (2) **An application may be filed after April 1 and on or before December 31 of the first**
21 **property tax year for which special assessment under section 4 of this 2012 Act is sought, if**
22 **the application is accompanied by a late filing fee equal to the greater of \$200 or one-tenth**
23 **of one percent of the real market value of the rebuilt residence to which the application re-**
24 **lates, as of the assessment date for that property tax year.**

25 (3) **The application must be in the form and contain the information prescribed by the**
26 **Department of Revenue, including:**

27 (a) **The name of the owner;**

28 (b) **The address and tax lot or account number of the rebuilt residence; and**

29 (c) **Evidence showing compliance with section 2 of this 2012 Act.**

30 (4) **The county assessor shall review the application. If the assessor determines that the**

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 requirements for special assessment under section 2 of this 2012 Act have been met, the
 2 assessor shall approve the application. Approval of the application qualifies the rebuilt resi-
 3 dence to which the application relates for special assessment under section 4 of this 2012 Act.

4 (5) The county assessor shall notify the owner in writing of the assessor's determination
 5 within 120 days following the date the application was filed with the assessor.

6 (6) An owner may appeal the determination of the county assessor under subsection (4)
 7 of this section as provided in ORS 305.275.

8 **SECTION 4.** (1)(a) For the first property tax year for which a rebuilt residence is spe-
 9 cially assessed under this section, the specially assessed value of the rebuilt residence shall
 10 equal the real market value of the destroyed residence as reflected on the last certified as-
 11 sessment roll preceding the date on which the destroyed residence was destroyed, divided by
 12 the square footage of the destroyed residence as reflected on the last certified assessment
 13 roll preceding the date on which the destroyed residence was destroyed, multiplied by the
 14 square footage of the rebuilt residence.

15 (b) For each subsequent property tax year after the first property tax year in which the
 16 rebuilt residence is specially assessed under this section, the specially assessed value of the
 17 rebuilt residence shall be the specially assessed value of the prior year adjusted by all appli-
 18 cable real market value trending factors.

19 (2)(a) For the first property tax year for which a rebuilt residence is specially assessed
 20 under this section, the maximum assessed value of the rebuilt residence subject to special
 21 assessment shall be the specially assessed value determined pursuant to subsection (1)(a) of
 22 this section, multiplied by the ratio of the maximum assessed value of the destroyed resi-
 23 dence as reflected on the last certified assessment roll preceding the date on which the de-
 24 stroyed residence was destroyed, divided by the real market value of the destroyed residence
 25 as reflected on the last certified assessment roll preceding the date on which the destroyed
 26 residence was destroyed.

27 (b) For each subsequent property tax year after the first property tax year in which the
 28 rebuilt residence is subject to special assessment under this section, the maximum assessed
 29 value of the rebuilt residence shall equal 103 percent of the assessed value of the rebuilt
 30 residence from the prior year or 100 percent of the maximum assessed value of the rebuilt
 31 residence from the prior year, whichever is greater.

32 (3) The assessed value of a rebuilt residence that is specially assessed under this section
 33 shall equal the lesser of:

34 (a) The specially assessed value determined pursuant to subsection (1) of this section;

35 (b) The maximum assessed value determined pursuant to subsection (2) of this section;

36 or

37 (c) The real market value of the rebuilt residence as of the assessment date for the
 38 property tax year.

39 (4) For a rebuilt residence that includes an attached garage, the computations under this
 40 section must be made separately, but in the same manner, for the rebuilt residence and the
 41 attached garage.

42 **SECTION 5.** (1) A rebuilt residence that is specially assessed under section 4 of this 2012
 43 Act shall be disqualified from special assessment if:

44 (a) The rebuilt residence is sold or otherwise disposed of;

45 (b) The rebuilt residence is destroyed or removed from the property;

1 (c) The county assessor receives notification from the owner to remove the special as-
2 sessment; or

3 (d) The rebuilt residence has been specially assessed under section 4 of this 2012 Act for
4 10 consecutive years.

5 (2) The owner of a rebuilt residence receiving special assessment under section 4 of this
6 2012 Act must notify the assessor in writing of a disqualifying circumstance described in
7 subsection (1)(a) or (b) of this section within 60 days following the date on which the cir-
8 cumstance occurred.

9 (3) The Department of Revenue may prescribe by rule penalties to be imposed on an
10 owner if notification is not made as required under this section.

11 (4) A rebuilt residence shall be disqualified from special assessment under section 4 of
12 this 2012 Act as of the property tax year immediately following any circumstance described
13 in subsection (1) of this section.

14 SECTION 6. Sections 2 to 5 of this 2012 Act apply to property tax years beginning on or
15 after July 1, 2009.

16 SECTION 7. (1) An owner may apply for special assessment under section 4 of this 2012
17 Act for property tax years beginning on or after July 1, 2009, and before July 1, 2013, by filing
18 with the county assessor on or before December 31, 2012, the written application required
19 under section 3 of this 2012 Act accompanied by the late filing fee required under section 3
20 (2) of this 2012 Act.

21 (2) If tax in excess of amounts owed under sections 2 to 5 of this 2012 Act has not been
22 paid, the excess tax and any interest are abated.

23 (3) If tax in excess of amounts owed under sections 2 to 5 of this 2012 Act has been paid,
24 the tax collector shall notify the governing body of the county of the refund required under
25 sections 2 to 5 of this 2012 Act. Upon receipt of notice from the tax collector, the governing
26 body shall cause a refund of the tax and any interest paid to be made from the refund re-
27 serve account, if the county has established a refund reserve account under ORS 311.807, or
28 from the unsegregated tax collections account described in ORS 311.385. A refund under this
29 subsection shall be made without interest. The county assessor and tax collector shall make
30 the necessary corrections in the records of their offices.

31 SECTION 8. This 2012 Act takes effect on the 91st day after the date on which the 2012
32 regular session of the Seventy-sixth Legislative Assembly adjourns sine die.
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