

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2493

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Grants tax exemption to property of nonprofit corporation exclusively occupied by low income persons or held exclusively for future development as low income housing.

Government Unit(s) Affected:

Cities, Counties

Summary of Expenditure Impact:

Please see analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The fiscal impact of the measure is indeterminate due to the unknown costs of additional certification, compliance monitoring, and auditing functions that the measure may impose on county assessors.

The measure allows for a property or a portion of a property that is owned by a non-profit corporation and is exclusively occupied by low-income (as defined in the measure) tenants or a property that is owned by a non-profit corporation for future development as low-income housing to be exempt from property taxes upon certification by the county assessor. It is unclear what requirements that the measure puts upon the county assessor in certifying the eligibility of the property for tax exemption. The bill and amended statute is silent on the requirements for the property owner to present verifiable compliance with the requirements of the tax exemption. Even if this evidence was presented to the assessor, the measure is silent on the duty of the assessor to independently confirm the information. In the case where a property is being held for future development, the measure is silent with regard to the collection of taxes for the abated period if the property is used or sold for a purpose other than low-income housing. Without this information, the cost to the county assessor to administer the certification is unknown and therefore the fiscal impact is indeterminate.