

House Bill 2943

Sponsored by Representative ESQUIVEL

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**.

Creates special assessment for property beginning with first property tax year after termination of lease or sublease pursuant to which property was exempt from property taxation. Applies to property tax years beginning on or after July 1, 2010.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to special assessment of property; and prescribing an effective date.

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

4 **SECTION 1. (1) This section applies:**

5 (a) **To property of a taxable owner that was assessed for ad valorem property taxes for**
6 **at least one property tax year beginning after July 1, 1997, before being granted exemption**
7 **from ad valorem property taxation pursuant to ORS 307.112.**

8 (b) **Beginning with the first property tax year that begins after termination of a lease**
9 **or sublease with respect to the property entered into, as lessee or sublessee, by an entity**
10 **entitled to claim exemption for the entity's property under ORS 307.130.**

11 (2) **For the first property tax year that begins after termination of the lease or sublease**
12 **described in subsection (1)(b) of this section:**

13 (a) **The county assessor shall list on the assessment and tax roll a specially assessed**
14 **value for the property that equals the real market value of the property as of the assessment**
15 **date for the first property tax year that begins after termination of the lease or sublease.**

16 (b) **The maximum assessed value subject to special assessment of the property shall equal**
17 **the specially assessed value under paragraph (a) of this subsection multiplied by the ratio,**
18 **not greater than 1.00, of the maximum assessed value the property would have for the first**
19 **property tax year that begins after termination of the lease or sublease if the property had**
20 **not been granted exemption pursuant to ORS 307.112 over the real market value of the**
21 **property as of the assessment date for the first property tax year that begins after termi-**
22 **nation of the lease or sublease.**

23 (c) **The assessed value of the property shall equal the lesser of:**

24 (A) **The maximum assessed value subject to special assessment of the property as de-**
25 **termined under paragraph (b) of this subsection; or**

26 (B) **The specially assessed value of the property under paragraph (a) of this subsection.**

27 (3) **For each property tax year following the first property tax year that begins after**
28 **termination of the lease or sublease:**

29 (a) **The maximum assessed value subject to special assessment of the property shall equal**
30 **103 percent of the property's assessed value from the prior year or 100 percent of the maxi-**

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 **imum assessed value subject to special assessment of the property from the prior year,**
2 **whichever is greater.**

3 **(b) The assessed value of the property shall equal the lesser of:**

4 **(A) The maximum assessed value subject to special assessment as determined under**
5 **paragraph (a) of this subsection; or**

6 **(B) The real market value of the property.**

7 **SECTION 2. Section 1 of this 2013 Act applies to property tax years beginning on or after**
8 **July 1, 2010.**

9 **SECTION 3. (1)(a) To receive a refund under this section, an application must be filed**
10 **with the county assessor within 60 days after the effective date of this 2013 Act.**

11 **(b) An application filed under this section must:**

12 **(A) Contain information necessary to substantiate the claim for a refund and any other**
13 **information required by the county assessor.**

14 **(B) Be accompanied by a filing fee of \$200 for each property tax year for which exemption**
15 **is claimed.**

16 **(2) For property tax years beginning on or after July 1, 2010, and before July 1, 2013:**

17 **(a) If property taxes in excess of the amounts that would be due under section 1 of this**
18 **2013 Act have not been paid, the excess taxes and any interest on the excess taxes are**
19 **abated.**

20 **(b) If property taxes in excess of the amounts that would be due under section 1 of this**
21 **2013 Act have been paid, the tax collector of the county in which the property is located shall**
22 **notify the governing body of the county of any refund required by operation of section 1 of**
23 **this 2013 Act.**

24 **(3)(a) Upon receipt of notice from the tax collector under subsection (2)(b) of this section,**
25 **the governing body shall cause a refund of any amount of excess property taxes and interest**
26 **on the excess property taxes that have been paid to be made from the refund reserve ac-**
27 **count, if the county has established a refund reserve account under ORS 311.807, or from the**
28 **unsegregated tax collections account described in ORS 311.385.**

29 **(b) A refund under this subsection shall be made without interest.**

30 **(4) The county assessor and the tax collector shall make the necessary corrections in the**
31 **records of their offices.**

32 **SECTION 4. This 2013 Act takes effect on the 91st day after the date on which the 2013**
33 **regular session of the Seventy-seventh Legislative Assembly adjourns sine die.**

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