

# Senate Bill 670

Sponsored by Senator KNOPP, Representative DAVIS; Senators BAERTSCHIGER JR, BEYER, BOQUIST, CLOSE, FERRIOLI, GEORGE, GIROD, JOHNSON, KRUSE, MONNES ANDERSON, OLSEN, STARR, THOMSEN, WHITSETT, WINTERS, Representatives CAMERON, CONGER, ESQUIVEL, FREEMAN, GILLIAM, HANNA, HICKS, HUFFMAN, JENSON, JOHNSON, KENNEMER, KRIEGER, MCLANE, OLSON, PARRISH, RICHARDSON, SMITH, SPRENGER, THATCHER, THOMPSON, WEIDNER, WHISNANT, WHITSETT

## 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**.

Increases ceiling amount of total assessed value of taxable personal property for purposes of exemption from property taxation. Applies to property tax years beginning on or after July 1, 2014. Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to property tax exemption for personal property; creating new provisions; amending ORS  
3 308.250; and prescribing an effective date.

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

5 **SECTION 1.** ORS 308.250 is amended to read:

6 308.250. (1) All personal property not exempt from ad valorem taxation or subject to special  
7 assessment shall be valued at 100 percent of its real market value, as of January 1, at 1:00 a.m. and  
8 shall be assessed at its assessed value determined as provided in ORS 308.146.

9 (2)(a) If the total assessed value of all taxable personal property required to be reported under  
10 ORS 308.290 in any county of any taxpayer is less than [*\$12,500*] **\$25,000** in any assessment year, the  
11 county assessor shall cancel the ad valorem tax assessment for property required to be reported  
12 under ORS 308.290 for that year.

13 (b) If, in a county with a population of more than 340,000, the total assessed value of all manu-  
14 factured structures taxable as personal property under ORS 308.875 of any taxpayer is less than  
15 \$12,500 in any assessment year, the county assessor shall cancel the ad valorem tax assessment for  
16 the manufactured structures for that year.

17 (3) In any assessment year or years following an assessment year for which taxes are canceled  
18 under subsection (2)(a) of this section, the taxpayer may meet the requirements of ORS 308.290 by  
19 filing, within the time required or extended under ORS 308.290, a verified statement with the county  
20 assessor indicating that the total assessed value of all taxable personal property of the taxpayer  
21 required to be reported under ORS 308.290 in the county is less than [*\$12,500*] **\$25,000**. The state-  
22 ment shall contain the name and address of the taxpayer, the information needed to identify the  
23 account and other pertinent information, but shall not be required to contain a listing or value of  
24 property or property additions or retirements.

25 (4)(a) For each tax year beginning on or after July 1, 2003, the Department of Revenue shall  
26 recompute the maximum amount of the assessed value of taxable personal property in subsection  
27 (2)(a) and (b) of this section for which ad valorem property taxes may be canceled under this section.  
28 The computation shall be as follows:

**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 (A) Divide the average U.S. City Average Consumer Price Index for the prior calendar year by  
2 the average U.S. City Average Consumer Price Index for 2002.

3 (B) Recompute the maximum amount of assessed value for which taxes may be canceled under  
4 subsection (2)(a) or (b) of this section by multiplying **\$25,000 or \$12,500, respectively**, by the ap-  
5 propriate indexing factor determined as provided in subparagraph (A) of this paragraph.

6 (b) As used in this subsection, "U.S. City Average Consumer Price Index" means the U.S. City  
7 Average Consumer Price Index for All Urban Consumers (All Items) as published by the Bureau of  
8 Labor Statistics of the United States Department of Labor.

9 (c) If any change in the maximum amount of assessed value determined under paragraph (a) of  
10 this subsection is not a multiple of \$500, the increase shall be rounded to the nearest multiple of  
11 \$500.

12 **SECTION 2.** ORS 308.250, as amended by section 2, chapter 69, Oregon Laws 2010, is amended  
13 to read:

14 308.250. (1) All personal property not exempt from ad valorem taxation or subject to special  
15 assessment shall be valued at 100 percent of its real market value, as of January 1, at 1:00 a.m. and  
16 shall be assessed at its assessed value determined as provided in ORS 308.146.

17 (2) If the total assessed value of all taxable personal property required to be reported under ORS  
18 308.290 in any county of any taxpayer is less than [~~\$12,500~~] **\$25,000** in any assessment year, the  
19 county assessor shall cancel the ad valorem tax assessment for that year.

20 (3) In any assessment year or years following an assessment year for which taxes are canceled  
21 under subsection (2) of this section, the taxpayer may meet the requirements of ORS 308.290 by fil-  
22 ing, within the time required or extended under ORS 308.290, a verified statement with the county  
23 assessor indicating that the total assessed value of all taxable personal property of the taxpayer  
24 required to be reported under ORS 308.290 in the county is less than [~~\$12,500~~] **\$25,000**. The state-  
25 ment shall contain the name and address of the taxpayer, the information needed to identify the  
26 account and other pertinent information, but shall not be required to contain a listing or value of  
27 property or property additions or retirements.

28 (4)(a) For each tax year beginning on or after July 1, 2003, the Department of Revenue shall  
29 recompute the maximum amount of the assessed value of taxable personal property for which ad  
30 valorem property taxes may be canceled under this section. The computation shall be as follows:

31 (A) Divide the average U.S. City Average Consumer Price Index for the prior calendar year by  
32 the average U.S. City Average Consumer Price Index for 2002.

33 (B) Recompute the maximum amount of assessed value for which taxes may be canceled by  
34 multiplying [~~\$12,500~~] **\$25,000** by the appropriate indexing factor determined as provided in subpara-  
35 graph (A) of this paragraph.

36 (b) As used in this subsection, "U.S. City Average Consumer Price Index" means the U.S. City  
37 Average Consumer Price Index for All Urban Consumers (All Items) as published by the Bureau of  
38 Labor Statistics of the United States Department of Labor.

39 (c) If any change in the maximum amount of assessed value determined under paragraph (a) of  
40 this subsection is not a multiple of \$500, the increase shall be rounded to the nearest multiple of  
41 \$500.

42 **SECTION 3.** The amendments to ORS 308.250 by sections 1 and 2 of this 2013 Act apply  
43 to property tax years beginning on or after July 1, 2014.

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

