

**PROPOSED AMENDMENTS TO
HOUSE BILL 3276**

1 On page 1 of the printed bill, line 2, after the semicolon insert “creating
2 new provisions; amending ORS 307.110;”.

3 Delete lines 4 through 30 and delete page 2 and insert:

4 **“SECTION 1.** ORS 307.110 is amended to read:

5 “307.110. (1) Except as provided in ORS 307.120, all real and personal
6 property of this state or any institution or department thereof or of any
7 county or city, town or other municipal corporation or political subdivision
8 of this state, held under a lease or other interest or estate less than a fee
9 simple, by any person whose real property, if any, is taxable, except em-
10 ployees of the state, municipality or political subdivision as an incident to
11 such employment, shall be subject to assessment and taxation for the as-
12 sessed or specially assessed value thereof uniformly with real property of
13 nonexempt ownerships.

14 “(2) Each leased or rented premises not exempt under ORS 307.120 and
15 subject to assessment and taxation under this section which is located on
16 property used as an airport and owned by and serving a municipality or port
17 shall be separately assessed and taxed.

18 “(3) Nothing contained in this section shall be construed as subjecting to
19 assessment and taxation any publicly owned property described in subsection
20 (1) of this section that is:

21 “(a) Leased for student housing by a school or college to students at-
22 tending such a school or college.

1 “(b) Leased to or rented by persons, other than sublessees or subrenters,
2 for agricultural or grazing purposes and for other than a cash rental or a
3 percentage of the crop.

4 “(c) Utilized by persons under a land use permit issued by the Department
5 of Transportation for which the department’s use restrictions are such that
6 only an administrative processing fee is able to be charged.

7 “(d) County fairgrounds and the buildings thereon, in a county holding
8 annual county fairs, managed by the county fair board under ORS 565.230,
9 if utilized, in addition to county fair use, for any of the purposes described
10 in ORS 565.230 (2), or for horse stalls or storage for recreational vehicles or
11 farm machinery or equipment.

12 “(e) The properties and grounds managed and operated by the State Parks
13 and Recreation Director under ORS 565.080, if utilized, in addition to the
14 purpose of holding the Oregon State Fair, for horse stalls or for storage for
15 recreational vehicles or farm machinery or equipment.

16 “(f) State property that is used by the Oregon University System or the
17 Oregon Health and Science University to provide parking for employees,
18 students or visitors.

19 “(g) Property of a housing authority created under ORS chapter 456 which
20 is leased or rented to persons of lower income for housing pursuant to the
21 public and governmental purposes of the housing authority. For purposes of
22 this paragraph, ‘persons of lower income’ has the meaning given the phrase
23 under ORS 456.055.

24 “(h) Property of a health district if:

25 “(A) The property is leased or rented for the purpose of providing facili-
26 ties for health care practitioners practicing within the county; and

27 “(B) The county is a frontier rural practice county under rules adopted
28 by the Office of Rural Health.

29 **“(i) Property of a port if:**

30 **“(A) The port:**

1 “(i) Is organized under ORS chapter 777; and

2 “(ii) Has a board of commissioners appointed by the Governor; and

3 “(B) The property is:

4 “(i) Located in a county with a population of less than 450,000; and

5 “(ii) Used or held for future use by a person other than the port
6 pursuant to an agreement that obligates the person to provide com-
7 mon carrier rail freight service to shippers.

8 “(4) Property determined to be an eligible project for tax exemption under
9 ORS 285C.600 to 285C.626 and 307.123 that was acquired with revenue bonds
10 issued under ORS 285B.320 to 285B.371 and that is leased by this state, any
11 institution or department thereof or any county, city, town or other munici-
12 pal corporation or political subdivision of this state to an eligible applicant
13 shall be assessed and taxed in accordance with ORS 307.123. The property’s
14 continued eligibility for taxation and assessment under ORS 307.123 is not
15 affected:

16 “(a) If the eligible applicant retires the bonds prior to the original dates
17 of maturity; or

18 “(b) If any applicable lease or financial agreement is terminated prior to
19 the original date of expiration.

20 “(5) The provisions of law for liens and the payment and collection of
21 taxes levied against real property of nonexempt ownerships shall apply to
22 all real property subject to the provisions of this section. Taxes remaining
23 unpaid upon the termination of a lease or other interest or estate less than
24 a fee simple, shall remain a lien against the real or personal property.

25 “(6) If the state enters into a lease of property with, or grants an interest
26 or other estate less than a fee simple in property to, a person whose real
27 property, if any, is taxable, then within 30 days after the date of the lease,
28 or within 30 days after the date the interest or estate less than a fee simple
29 is created, the state shall file a copy of the lease or other instrument creat-
30 ing or evidencing the interest or estate with the county assessor. This sec-

1 tion applies notwithstanding that the property may otherwise be entitled to
2 an exemption under this section, ORS 307.120 or as otherwise provided by
3 law.

4 **“SECTION 2. The amendments to ORS 307.110 by section 1 of this**
5 **2013 Act apply to property tax years beginning on or after July 1, 2012.**

6 **“SECTION 3. (1)(a) To receive a refund under this section, an ap-**
7 **plication must be filed with the county assessor within 60 days after**
8 **the effective date of this 2013 Act.**

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

10 **“(A) Contain information necessary to substantiate the claim for a**
11 **refund.**

12 **“(B) Be accompanied by a filing fee of \$200.**

13 **“(2) For the property tax year beginning on July 1, 2012:**

14 **“(a) If property taxes on property described in ORS 307.110 (3)(i)**
15 **have not been paid, the taxes and any interest on the taxes are abated.**

16 **“(b) If property taxes on property described in ORS 307.110 (3)(i)**
17 **have been paid, the tax collector of the county in which the property**
18 **is located shall notify the governing body of the county of any refund**
19 **required by operation of ORS 307.110 (3)(i).**

20 **“(3)(a) Upon receipt of notice from the tax collector under sub-**
21 **section (2)(b) of this section, the governing body shall cause a refund**
22 **of any amount of property taxes and interest on the property taxes**
23 **that has been paid to be made from the refund reserve account, if the**
24 **county has established a refund reserve account under ORS 311.807,**
25 **or, if not, from the unsegregated tax collections account described in**
26 **ORS 311.385.**

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

28 **“(4) The Department of Revenue, the county assessor and the tax**
29 **collector shall make the necessary corrections in the records of their**
30 **offices.**

1 **“SECTION 4.** ORS 307.110, as amended by section 1 of this 2013 Act, is
2 amended to read:

3 “307.110. (1) Except as provided in ORS 307.120, all real and personal
4 property of this state or any institution or department thereof or of any
5 county or city, town or other municipal corporation or political subdivision
6 of this state, held under a lease or other interest or estate less than a fee
7 simple, by any person whose real property, if any, is taxable, except em-
8 ployees of the state, municipality or political subdivision as an incident to
9 such employment, shall be subject to assessment and taxation for the as-
10 sessed or specially assessed value thereof uniformly with real property of
11 nonexempt ownerships.

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13 subject to assessment and taxation under this section which is located on
14 property used as an airport and owned by and serving a municipality or port
15 shall be separately assessed and taxed.

16 “(3) Nothing contained in this section shall be construed as subjecting to
17 assessment and taxation any publicly owned property described in subsection
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19 “(a) Leased for student housing by a school or college to students at-
20 tending such a school or college.

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22 for agricultural or grazing purposes and for other than a cash rental or a
23 percentage of the crop.

24 “(c) Utilized by persons under a land use permit issued by the Department
25 of Transportation for which the department’s use restrictions are such that
26 only an administrative processing fee is able to be charged.

27 “(d) County fairgrounds and the buildings thereon, in a county holding
28 annual county fairs, managed by the county fair board under ORS 565.230,
29 if utilized, in addition to county fair use, for any of the purposes described
30 in ORS 565.230 (2), or for horse stalls or storage for recreational vehicles or

1 farm machinery or equipment.

2 “(e) The properties and grounds managed and operated by the State Parks
3 and Recreation Director under ORS 565.080, if utilized, in addition to the
4 purpose of holding the Oregon State Fair, for horse stalls or for storage for
5 recreational vehicles or farm machinery or equipment.

6 “(f) State property that is used by the Oregon University System or the
7 Oregon Health and Science University to provide parking for employees,
8 students or visitors.

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10 is leased or rented to persons of lower income for housing pursuant to the
11 public and governmental purposes of the housing authority. For purposes of
12 this paragraph, ‘persons of lower income’ has the meaning given the phrase
13 under ORS 456.055.

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16 ties for health care practitioners practicing within the county; and

17 “(B) The county is a frontier rural practice county under rules adopted
18 by the Office of Rural Health.

19 “[*i*] *Property of a port if:*]

20 “[*(A) The port:*]

21 “[*(i) Is organized under ORS chapter 777; and*]

22 “[*(ii) Has a board of commissioners appointed by the Governor; and*]

23 “[*(B) The property is:*]

24 “[*(i) Located in a county with a population of less than 450,000; and*]

25 “[*(ii) Used or held for future use by a person other than the port pursuant*
26 *to an agreement that obligates the person to provide common carrier rail*
27 *freight service to shippers.]*

28 “(4) Property determined to be an eligible project for tax exemption under
29 ORS 285C.600 to 285C.626 and 307.123 that was acquired with revenue bonds
30 issued under ORS 285B.320 to 285B.371 and that is leased by this state, any

1 institution or department thereof or any county, city, town or other municipi-
2 pal corporation or political subdivision of this state to an eligible applicant
3 shall be assessed and taxed in accordance with ORS 307.123. The property's
4 continued eligibility for taxation and assessment under ORS 307.123 is not
5 affected:

6 “(a) If the eligible applicant retires the bonds prior to the original dates
7 of maturity; or

8 “(b) If any applicable lease or financial agreement is terminated prior to
9 the original date of expiration.

10 “(5) The provisions of law for liens and the payment and collection of
11 taxes levied against real property of nonexempt ownerships shall apply to
12 all real property subject to the provisions of this section. Taxes remaining
13 unpaid upon the termination of a lease or other interest or estate less than
14 a fee simple, shall remain a lien against the real or personal property.

15 “(6) If the state enters into a lease of property with, or grants an interest
16 or other estate less than a fee simple in property to, a person whose real
17 property, if any, is taxable, then within 30 days after the date of the lease,
18 or within 30 days after the date the interest or estate less than a fee simple
19 is created, the state shall file a copy of the lease or other instrument creat-
20 ing or evidencing the interest or estate with the county assessor. This sec-
21 tion applies notwithstanding that the property may otherwise be entitled to
22 an exemption under this section, ORS 307.120 or as otherwise provided by
23 law.

24 **“SECTION 5. The amendments to ORS 307.110 by section 4 of this**
25 **2013 Act apply to property tax years beginning on or after July 1, 2023.**

26 **“SECTION 6. Section 3 of this 2013 Act is repealed on January 2,**
27 **2015.**

28 **“SECTION 7. This 2013 Act takes effect on the 91st day after the**
29 **date on which the 2013 regular session of the Seventy-seventh Legis-**
30 **lative Assembly adjourns sine die.”.**

