

**PROPOSED AMENDMENTS TO
HOUSE BILL 2510**

1 On page 1 of the printed bill, delete line 3 and insert “311.672 and 311.691;
2 and prescribing an effective date.”.

3 Delete lines 5 through 24 and delete pages 2 through 6 and insert:

4 **“SECTION 1. (1) Notwithstanding section 24 (1), chapter 723, Oregon**
5 **Laws 2011, the amendments to ORS 311.670 by section 3, chapter 723,**
6 **Oregon Laws 2011, relating to the five-year minimum requirement and**
7 **the amendments to ORS 311.700 by section 16, chapter 723, Oregon**
8 **Laws 2011, relating to reverse mortgages do not apply to a homestead**
9 **that had been granted deferral under ORS 311.666 to 311.701 for any**
10 **property tax years beginning before July 1, 2011.**

11 **“(2) The Department of Revenue shall provide notice to all individ-**
12 **uals with inactive deferral accounts of the following:**

13 **“(a) The provisions of this section;**

14 **“(b) That the individuals may be eligible to claim deferral under**
15 **ORS 311.666 to 311.701 for their homesteads for property tax years be-**
16 **ginning on or after July 1, 2014; and**

17 **“(c) That reactivating the homestead for deferral pursuant to this**
18 **section requires the individuals to file a claim for deferral in the**
19 **manner prescribed in ORS 311.672.**

20 **“(3) The department shall put homesteads determined to be eligible**
21 **under this section on a list for reactivation for deferral under ORS**
22 **311.666 to 311.701 in the order in which the individuals who own the**

1 homesteads file a claim for deferral in the manner prescribed in ORS
2 311.672 on or after the effective date of this 2013 Act.

3 “(4) A determination of eligibility under this section has the effect
4 of reactivating the homestead for deferral under ORS 311.666 to 311.701
5 beginning with the first property tax year that begins after the date
6 on which the determination of eligibility is made and continuing for
7 all subsequent property tax years for which the homestead and the
8 individuals who own the homestead remain eligible for the deferral.

9 “(5)(a) Notwithstanding subsection (4) of this section, for the prop-
10 erty tax year that begins on July 1, 2014, the total number of home-
11 steads that may be reactivated for deferral under this section is 700.

12 “(b) If the total number of homesteads on the list prepared under
13 subsection (3) of this section is greater than 700, for each property tax
14 year that begins after July 1, 2014, the total number of homesteads
15 reactivated for deferral under this section shall be the total number
16 of homesteads reactivated under this section for the immediately pre-
17 ceding property tax year multiplied by 105 percent, until all home-
18 steads on the list have been reactivated for deferral or are determined
19 to be no longer eligible.

20 “(6) ORS 311.670 (2)(a) applies to a homestead reactivated for defer-
21 ral under this section if, as of April 15 of the year in which a claim for
22 deferral is filed, the taxpayers have continuously owned and lived in
23 the homestead less than seven years.

24 “SECTION 2. ORS 311.672 is amended to read:

25 “311.672. (1)(a) A taxpayer’s claim for deferral under ORS 311.666 to
26 311.701 must:

27 “(A) Be in writing on a form supplied by the Department of Revenue;

28 “(B) Describe the homestead;

29 “(C) Recite all facts establishing the eligibility of the homestead for, and
30 of the taxpayers to claim, the deferral; and

1 “(D) Have attached:

2 “(i) Any documentary proof required by the department; and

3 “(ii) A statement verified by a written declaration of all taxpayers
4 claiming deferral to the effect that the statements contained in the claim are
5 true.

6 “(b) The claim for deferral must be filed with the assessor of the county
7 in which the homestead is located, after January 1 and on or before April
8 15 of the year for which deferral is claimed.

9 “(2) The county assessor shall forward each claim filed under this section
10 to the department, and the department shall determine whether the property
11 is eligible for the deferral.

12 “(3) If the taxpayers and the homestead are determined to be eligible un-
13 der ORS 311.668 and 311.670, respectively, a timely claim for deferral has the
14 effect of:

15 “(a) Deferring the payment of the property taxes levied on the homestead
16 for the property tax year beginning on July 1 of the year in which the claim
17 is filed.

18 “(b) Continuing the deferral of the payment by the taxpayers of any
19 property taxes deferred under ORS 311.666 to 311.701 for previous years that
20 have not become delinquent under ORS 311.686.

21 “(c) Continuing the deferral of the payment by the taxpayers of any future
22 property taxes for as long as the homestead remains eligible for, and the
23 taxpayers remain eligible to claim, the deferral.

24 “(4)(a) Notwithstanding subsection (3) of this section:

25 “(A) For the property tax year beginning on July 1, 2012, the maximum
26 number of claims for deferral under ORS 311.666 to 311.701 that may be
27 granted to taxpayers who have not previously been granted deferral is the
28 number of such claims granted for the property tax year beginning on July
29 1, 2011, multiplied by 105 percent.

30 “(B) For each property tax year beginning after July 1, 2012, the maxi-

1 mum number of claims for deferral that may be granted to taxpayers who
2 have not previously been granted deferral is the maximum number deter-
3 mined under this subsection for the **immediately preceding** property tax
4 year [*immediately preceding*] multiplied by 105 percent.

5 “(b) For purposes of paragraph (a) of this subsection, spouses who con-
6 tinue deferral under ORS 311.688 are not considered taxpayers who have not
7 previously been granted deferral.

8 “(c) If the number of eligible claims described in paragraph (a) of this
9 subsection exceeds the maximum number determined under paragraph (a) of
10 this subsection, claims shall be granted in ascending order based on the ratio
11 that is equal to the real market value of the homestead entered on the last
12 certified assessment and tax roll divided by the [*applicable percentage of*]
13 county median RMV of the homestead determined under ORS 311.670 (2),
14 until the maximum number determined under paragraph (a) of this subsection
15 is reached.

16 “(5) Any taxpayer aggrieved by the denial of a claim for, or discontinua-
17 tion of, deferral under ORS 311.666 to 311.701 may appeal in the manner
18 provided by ORS 305.404 to 305.560.

19 “**SECTION 3.** ORS 311.691 is amended to read:

20 “311.691. (1) Notwithstanding any provision of ORS chapter 312 to the
21 contrary and ORS 311.696 (1), upon compliance with ORS 311.693, taxes as-
22 sessed against a tax-deferred homestead for any tax year that were unpaid
23 as of July 1 of the tax year for which homestead property tax deferral was
24 [*initially*] granted under ORS 311.666 to 311.701, and that remain unpaid,
25 shall remain a lien and shall become delinquent as otherwise provided by
26 law, but are not subject to foreclosure under ORS chapter 312 before August
27 15 of the calendar year following the calendar year in which one of the cir-
28 cumstances listed in ORS 311.684 occurs.

29 “(2) This section does not apply if:

30 “(a) The tax-deferred homestead property is a manufactured structure or

1 floating home and is moved out of state;

2 “(b) The tax-deferred homestead property is personal property, other than
3 a manufactured structure or floating home; or

4 “(c) The owner of the tax-deferred homestead property has household in-
5 come, for the calendar year immediately preceding the calendar year in
6 which application is filed under ORS 311.693, that exceeds the amounts al-
7 lowable under ORS 311.668.

8 “(3) If the property to which subsection (1) of this section applies has
9 been included on a foreclosure list, or a judgment of foreclosure entered, the
10 property shall be removed from the foreclosure list, or judgment vacated,
11 unless the proceeding against the property involves delinquent taxes other
12 than those described in subsection (1) of this section.

13 “(4)(a) Upon removal from the foreclosure list, or upon vacation of the
14 judgment, a penalty may not be imposed under ORS 312.110 or 312.120.

15 “(b) If the penalty has been imposed, the penalty is abated, or if the
16 penalty has been paid, upon application made to the county assessor on or
17 before July 1 of the year immediately following the year of vacation or re-
18 moval, the penalty shall be refunded out of the unsegregated tax collections
19 account in the manner provided in ORS 311.806.

20 “(5) Within 60 days after approval of an application under ORS 311.693,
21 with respect to any property to which this section applies, the tax collector
22 shall make the proper entries on the tax roll and shall remove the property
23 from the foreclosure list and proceeding.

24 “(6) If a judgment has been entered foreclosing liens for delinquent taxes
25 against any property which is the subject of an application filed under ORS
26 311.693, and the delinquent taxes include only those taxes described in sub-
27 section (1) of this section, or taxes in excess of those described in subsection
28 (1) of this section are paid, the judgment shall be null and void and of no
29 effect and the tax collector shall make the proper entries on the assessment
30 and tax rolls to reflect the vacation of the judgment and to acknowledge the

1 subsisting liens.

2 “(7) Nothing in this section shall remove or release property to which this
3 section applies from the lien of any unpaid tax thereon, but the unpaid taxes
4 shall remain valid and subsisting liens as though the foreclosure proceeding
5 had not been instituted or as though the foreclosure proceeding had not been
6 instituted and a judgment entered.

7 “(8) Nothing in this section shall affect a foreclosure proceeding insti-
8 tuted, or a judgment entered, to foreclose liens for delinquent taxes against
9 properties subject to foreclosure if the delinquent taxes include taxes other
10 than those described under subsection (1) of this section. Such foreclosure
11 proceedings shall be instituted or continued without regard to this section
12 and such judgment shall be of full force and effect as if this section did not
13 exist.

14 “(9) Interest on taxes to which this section applies shall be determined
15 from the same dates, in the same manner and until paid as for other property
16 taxes remaining unpaid upon the due dates, upon preparation of the foreclo-
17 sure list in accordance with ORS chapter 312 and subsection (1) of this sec-
18 tion and upon entry and following a judgment of foreclosure.

19 **“SECTION 4. (1) The amendments to ORS 311.672 by section 2 of this
20 2013 Act apply to property tax years beginning on or after July 1, 2012.**

21 **“(2) The amendments to ORS 311.691 by section 3 of this 2013 Act
22 apply to unpaid taxes assessed against a tax-deferred homestead for
23 property tax years beginning on or after July 1, 2011.**

24 **“SECTION 5. This 2013 Act takes effect on the 91st day after the
25 date on which the 2013 regular session of the Seventy-seventh Legis-
26 lative Assembly adjourns sine die.”.**

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