

**A-Engrossed**  
**House Bill 4148**

Ordered by the House February 12  
Including House Amendments dated February 12

Sponsored by Representatives NATHANSON, GOMBERG, VEGA PEDERSON; Representatives FREDERICK, HOYLE, KENY-GUYER, MCKEOWN, SMITH WARNER, Senator ROBLAN (Pre-session filed.)

**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.

Changes interest rate accruing on deferred taxes under homestead property tax deferral program from six percent compounded annually to six percent per annum. Applies [*to interest accruing on taxes advanced to counties for tax-deferred property for property tax years beginning on or after July 1, 2014*] **retroactively with respect to amounts paid on or after July 1, 2016.**

Takes effect on 91st day following adjournment sine die.

**A BILL FOR AN ACT**

1  
2 Relating to the rate of interest on deferred taxes under the homestead property tax deferral pro-  
3 gram; creating new provisions; amending ORS 311.674; and prescribing an effective date.

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

5 **SECTION 1.** ORS 311.674 is amended to read:

6 311.674. (1) If eligibility for deferral of homestead property is established as provided in ORS  
7 311.666 to 311.701, the Department of Revenue shall notify the county assessor and the county  
8 assessor shall show on the current ad valorem assessment and tax roll that the property is tax-  
9 deferred property by an entry clearly designating the property as tax-deferred property.

10 (2) When requested by the department, the tax collector shall send to the department the tax  
11 statement for each tax-deferred property as soon as the taxes are extended upon the roll.

12 (3) Interest shall accrue on the actual amount of taxes advanced to the county for the tax-  
13 deferred property at the rate of six percent [*compounded annually*] **per annum.**

14 (4)(a) For property taxes deferred after October 3, 1979, the state liens provided by ORS 311.673  
15 and 311.679 and recorded under ORS 311.675 shall be for the actual amount of taxes advanced to the  
16 counties and not for the gross amount of taxes for which the property would be liable as shown on  
17 the tax statement for each tax-deferred property.

18 (b) For taxes deferred prior to October 3, 1979, the lien under ORS 311.673 is for the gross  
19 amount of taxes extended upon the tax roll against each tax-deferred property and interest shall  
20 continue to accrue on the gross amount of taxes rather than on the actual amount of taxes paid to  
21 the county.

22 **SECTION 2.** (1) **With respect to amounts paid pursuant to ORS 311.684 or 311.690 before**  
23 **July 1, 2016, ORS 311.674 (3), as in effect immediately before the effective date of this 2014**  
24 **Act, applies to interest that accrues on taxes advanced to counties for tax-deferred property**  
25 **for property tax years beginning on or after July 1, 2011, and before July 1, 2016.**

26 (2)(a) **With respect to amounts paid pursuant to ORS 311.684 or 311.690 on or after July**

**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 1, 2016, the amendments to ORS 311.674 by section 1 of this 2014 Act apply to interest that  
2 accrues on taxes advanced to counties for tax-deferred property for property tax years be-  
3 ginning on or after July 1, 2011.

4 (b) As soon as practicable after July 1, 2016, the Department of Revenue shall recompute  
5 all amounts of deferred property taxes that are outstanding on July 1, 2016, including resi-  
6 dual balances on accounts for which partial payment was made before July 1, 2016, using the  
7 interest rate provided under ORS 311.674, as amended by section 1 of this 2014 Act.

8 SECTION 3. This 2014 Act takes effect on the 91st day after the date on which the 2014  
9 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.

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