

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 4005**

1 In line 2 of the printed A-engrossed bill, after the first semicolon delete  
2 the rest of the line and insert “creating new provisions; amending ORS  
3 285C.095 and 307.162; and prescribing an effective date.”.

4 After line 16, insert:

5 **“SECTION 2. (1) As used in this section:**

6 **“(a) ‘History museum, natural history museum or science**  
7 **museum’ means an institution organized to display historical or sci-**  
8 **entific exhibits, or both, to the public.**

9 **“(b) ‘Internal Revenue Code’ has the meaning given that term in**  
10 **ORS 307.130.**

11 **“(2) Upon compliance with ORS 307.162, the real and personal**  
12 **property of a history museum, natural history museum or science**  
13 **museum, as described in subsection (3) of this section, is exempt from**  
14 **property taxation if the museum:**

15 **“(a) Was organized before January 1, 2010;**

16 **“(b) Is exempt from income taxation under section 501(a) of the**  
17 **Internal Revenue Code as an organization described in section 501(c)(3)**  
18 **of the Internal Revenue Code; and**

19 **“(c) Is located in a county with a population of less than 125,000.**

20 **“(3) The property of the museum that is exempt under this section**  
21 **is the land on which the museum is situated, including open land not**  
22 **in agricultural use, or that is used:**

1       **“(a) In conjunction with the public displays of the museum;**

2       **“(b) To educate the public about history or science;**

3       **“(c) To sell or hold out for sale goods related to the displays or ed-**  
4 **ucational purpose of the museum, or goods and services providing**  
5 **refreshment to the public while visiting the museum, unless the real**  
6 **or personal property used in such sales is leased to a for-profit entity;**  
7 **or**

8       **“(d) As a theater for presentations about history or science.**

9       **“SECTION 3.** ORS 307.162 is amended to read:

10       “307.162. (1)(a) Before any real or personal property may be exempted from  
11 taxation under ORS 307.092, 307.110 (3)(h), 307.115, 307.118, 307.130 to 307.140,  
12 307.145, 307.147, 307.150, 307.160, 307.181 (3) or 307.580 **or section 2 of this**  
13 **2014 Act** for any tax year, the institution or organization entitled to claim  
14 the exemption must file a claim with the county assessor, on or before April  
15 1 preceding the tax year for which the exemption is claimed. The claim must  
16 contain statements, verified by the oath or affirmation of the president or  
17 other proper officer of the institution or organization, that:

18       “(A) List all real property claimed to be exempt and show the purpose for  
19 which the real property is used; and

20       “(B) Cite the statutes under which exemption for personal property is  
21 claimed.

22       “(b) If the ownership of all property, other than property described in  
23 ORS 307.110 (3)(h), included in the claim filed with the county assessor for  
24 a prior year remains unchanged, a new claim is not required.

25       “(c) When the property designated in the claim for exemption is acquired  
26 after March 1 and before July 1, the claim for that year must be filed within  
27 30 days from the date of acquisition of the property.

28       “(2)(a) Notwithstanding subsection (1) of this section, a claim may be filed  
29 under this section for the current tax year:

30       “(A) On or before December 31 of the tax year, if the claim is accompa-

1 nished by a late filing fee of the greater of \$200, or one-tenth of one percent  
2 of the real market value as of the most recent assessment date of the prop-  
3 erty to which the claim pertains.

4 “(B) On or before April 1 of the tax year, if the claim is accompanied by  
5 a late filing fee of \$200 and the claimant demonstrates good and sufficient  
6 cause for failing to file a timely claim, is a first-time filer or is a public  
7 entity described in ORS 307.090.

8 “(b)(A) Notwithstanding subsection (1) of this section, a claimant that  
9 demonstrates good and sufficient cause for failing to file a timely claim, is  
10 a first-time filer or is a public entity described in ORS 307.090 may file a  
11 claim under this section for the five tax years prior to the current tax year:

12 “(i) Within 60 days after the date on which the county assessor mails  
13 notice of additional taxes owing under ORS 311.206 for the property to which  
14 the claim filed under this subparagraph pertains; or

15 “(ii) At any time if no notice is mailed.

16 “(B) A claim filed under this paragraph must be accompanied by a late  
17 filing fee of the greater of \$200, or one-tenth of one percent of the real  
18 market value as of the most recent assessment date of the property to which  
19 the claim pertains, multiplied by the number of prior tax years for which  
20 exemption is claimed.

21 “(c) If a claim filed under this subsection is not accompanied by the late  
22 filing fee or if the late filing fee is not otherwise paid, an exemption may  
23 not be allowed for the tax years sought by the claim. A claim may be filed  
24 under this subsection notwithstanding that there are no grounds for hardship  
25 as required for late filing under ORS 307.475.

26 “(d) The value of the property used to determine the late filing fee under  
27 this subsection and the determination of the county assessor relative to a  
28 claim of good and sufficient cause are appealable in the same manner as  
29 other acts of the county assessor.

30 “(e) A late filing fee collected under this subsection must be deposited in

1 the county general fund.

2 “(3)(a) In a claim for exemption of property described in ORS 307.110  
3 (3)(h), the county or city, town or other municipal corporation or political  
4 subdivision of this state that is filing the claim must substantiate that the  
5 property is used for affordable housing or that it is leased or rented to per-  
6 sons of lower income, as applicable.

7 “(b) A claim filed under this subsection must be filed annually on a form  
8 prescribed by the Department of Revenue.

9 “(4) As used in this section:

10 “(a) ‘First-time filer’ means a claimant that:

11 “(A) Has never filed a claim for the property that is the subject of the  
12 current claim; and

13 “(B) Did not receive notice from the county assessor on or before De-  
14 cember 1 of the tax year for which exemption is claimed regarding the po-  
15 tential property tax liability of the property.

16 “(b)(A) ‘Good and sufficient cause’ means an extraordinary circumstance  
17 beyond the control of the taxpayer or the taxpayer’s agent or representative  
18 that causes the failure to file a timely claim.

19 “(B) ‘Good and sufficient cause’ does not include hardship, reliance on  
20 misleading information unless the information is provided by an authorized  
21 tax official in the course of the official’s duties, lack of knowledge, oversight  
22 or inadvertence.

23 “(c) ‘Ownership’ means legal and equitable title.

24 “(5)(a) Notwithstanding subsection (1) of this section, if an institution or  
25 organization owns property that is exempt from taxation under a provision  
26 of law listed in subsection (1) of this section and fails to file a timely claim  
27 for exemption under subsection (1) of this section for additions or improve-  
28 ments to the exempt property, the additions or improvements may neverthe-  
29 less qualify for exemption.

30 “(b) The organization must file a claim for exemption with the county

1 assessor to have the additions or improvements to the exempt property be  
2 exempt from taxation. The claim must:

3 “(A) Describe the additions or improvements to the exempt property;

4 “(B) Describe the current use of the property that is the subject of the  
5 application;

6 “(C) Identify the tax year and any preceding tax years for which the ex-  
7 emption is sought;

8 “(D) Contain any other information required by the department; and

9 “(E) Be accompanied by a late filing fee equal to the product of the  
10 number of tax years for which exemption is sought multiplied by the greater  
11 of \$200 or one-tenth of one percent of the real market value as of the most  
12 recent assessment date of the property that is the subject of the claim.

13 “(c) Upon the county assessor’s receipt of a completed claim and late fil-  
14 ing fee, the assessor shall determine for each tax year for which exemption  
15 is sought whether the additions or improvements that are the subject of the  
16 claim would have qualified for exemption had a timely claim been filed under  
17 subsection (1) of this section. Any property that would have qualified for  
18 exemption had a timely claim been filed under subsection (1) of this section  
19 is exempt from taxation for each tax year for which the property would have  
20 qualified.

21 “(d) A claim for exemption under this subsection may be filed only for tax  
22 years for which the time for filing a claim under subsections (1) and (2)(a)  
23 of this section has expired. A claim filed under this subsection, however, may  
24 serve as the claim required under subsection (1) of this section for the cur-  
25 rent tax year.

26 “(e) A late filing fee collected under this subsection must be deposited in  
27 the county general fund.

28 “(6) For each tax year for which an exemption granted pursuant to sub-  
29 section (2) or (5) of this section applies:

30 “(a) Any tax, or interest attributable thereto, that was paid with respect

1 to the property that is declared exempt from taxation must be refunded. Re-  
2 funds must be made without interest from the unsegregated tax collections  
3 account established under ORS 311.385.

4 “(b) Any tax, or interest attributable thereto, that remains unpaid as of  
5 the date the exemption is granted must be abated.

6 “(7) If an institution or organization owns property that is exempt from  
7 taxation under a provision of law listed in subsection (1) of this section and  
8 changes the use of the property to a use that would not entitle the property  
9 to exemption from taxation, the institution or organization must notify the  
10 county assessor of the change to a taxable use within 30 days.

11 **“SECTION 4.** ORS 307.162, as amended by section 3 of this 2014 Act, is  
12 amended to read:

13 “307.162. (1)(a) Before any real or personal property may be exempted from  
14 taxation under ORS 307.092, 307.110 (3)(h), 307.115, 307.118, 307.130 to 307.140,  
15 307.145, 307.147, 307.150, 307.160, 307.181 (3) or 307.580 [*or section 2 of this*  
16 *2014 Act*] for any tax year, the institution or organization entitled to claim  
17 the exemption must file a claim with the county assessor, on or before April  
18 1 preceding the tax year for which the exemption is claimed. The claim must  
19 contain statements, verified by the oath or affirmation of the president or  
20 other proper officer of the institution or organization, that:

21 “(A) List all real property claimed to be exempt and show the purpose for  
22 which the real property is used; and

23 “(B) Cite the statutes under which exemption for personal property is  
24 claimed.

25 “(b) If the ownership of all property, other than property described in  
26 ORS 307.110 (3)(h), included in the claim filed with the county assessor for  
27 a prior year remains unchanged, a new claim is not required.

28 “(c) When the property designated in the claim for exemption is acquired  
29 after March 1 and before July 1, the claim for that year must be filed within  
30 30 days from the date of acquisition of the property.

1       “(2)(a) Notwithstanding subsection (1) of this section, a claim may be filed  
2 under this section for the current tax year:

3       “(A) On or before December 31 of the tax year, if the claim is accompa-  
4 nied by a late filing fee of the greater of \$200, or one-tenth of one percent  
5 of the real market value as of the most recent assessment date of the prop-  
6 erty to which the claim pertains.

7       “(B) On or before April 1 of the tax year, if the claim is accompanied by  
8 a late filing fee of \$200 and the claimant demonstrates good and sufficient  
9 cause for failing to file a timely claim, is a first-time filer or is a public  
10 entity described in ORS 307.090.

11       “(b)(A) Notwithstanding subsection (1) of this section, a claimant that  
12 demonstrates good and sufficient cause for failing to file a timely claim, is  
13 a first-time filer or is a public entity described in ORS 307.090 may file a  
14 claim under this section for the five tax years prior to the current tax year:

15       “(i) Within 60 days after the date on which the county assessor mails  
16 notice of additional taxes owing under ORS 311.206 for the property to which  
17 the claim filed under this subparagraph pertains; or

18       “(ii) At any time if no notice is mailed.

19       “(B) A claim filed under this paragraph must be accompanied by a late  
20 filing fee of the greater of \$200, or one-tenth of one percent of the real  
21 market value as of the most recent assessment date of the property to which  
22 the claim pertains, multiplied by the number of prior tax years for which  
23 exemption is claimed.

24       “(c) If a claim filed under this subsection is not accompanied by the late  
25 filing fee or if the late filing fee is not otherwise paid, an exemption may  
26 not be allowed for the tax years sought by the claim. A claim may be filed  
27 under this subsection notwithstanding that there are no grounds for hardship  
28 as required for late filing under ORS 307.475.

29       “(d) The value of the property used to determine the late filing fee under  
30 this subsection and the determination of the county assessor relative to a

1 claim of good and sufficient cause are appealable in the same manner as  
2 other acts of the county assessor.

3 “(e) A late filing fee collected under this subsection must be deposited in  
4 the county general fund.

5 “(3)(a) In a claim for exemption of property described in ORS 307.110  
6 (3)(h), the county or city, town or other municipal corporation or political  
7 subdivision of this state that is filing the claim must substantiate that the  
8 property is used for affordable housing or that it is leased or rented to per-  
9 sons of lower income, as applicable.

10 “(b) A claim filed under this subsection must be filed annually on a form  
11 prescribed by the Department of Revenue.

12 “(4) As used in this section:

13 “(a) ‘First-time filer’ means a claimant that:

14 “(A) Has never filed a claim for the property that is the subject of the  
15 current claim; and

16 “(B) Did not receive notice from the county assessor on or before De-  
17 cember 1 of the tax year for which exemption is claimed regarding the po-  
18 tential property tax liability of the property.

19 “(b)(A) ‘Good and sufficient cause’ means an extraordinary circumstance  
20 beyond the control of the taxpayer or the taxpayer’s agent or representative  
21 that causes the failure to file a timely claim.

22 “(B) ‘Good and sufficient cause’ does not include hardship, reliance on  
23 misleading information unless the information is provided by an authorized  
24 tax official in the course of the official’s duties, lack of knowledge, oversight  
25 or inadvertence.

26 “(c) ‘Ownership’ means legal and equitable title.

27 “(5)(a) Notwithstanding subsection (1) of this section, if an institution or  
28 organization owns property that is exempt from taxation under a provision  
29 of law listed in subsection (1) of this section and fails to file a timely claim  
30 for exemption under subsection (1) of this section for additions or improve-



1 ments to the exempt property, the additions or improvements may neverthe-  
2 less qualify for exemption.

3 “(b) The organization must file a claim for exemption with the county  
4 assessor to have the additions or improvements to the exempt property be  
5 exempt from taxation. The claim must:

6 “(A) Describe the additions or improvements to the exempt property;

7 “(B) Describe the current use of the property that is the subject of the  
8 application;

9 “(C) Identify the tax year and any preceding tax years for which the ex-  
10 emption is sought;

11 “(D) Contain any other information required by the department; and

12 “(E) Be accompanied by a late filing fee equal to the product of the  
13 number of tax years for which exemption is sought multiplied by the greater  
14 of \$200 or one-tenth of one percent of the real market value as of the most  
15 recent assessment date of the property that is the subject of the claim.

16 “(c) Upon the county assessor’s receipt of a completed claim and late fil-  
17 ing fee, the assessor shall determine for each tax year for which exemption  
18 is sought whether the additions or improvements that are the subject of the  
19 claim would have qualified for exemption had a timely claim been filed under  
20 subsection (1) of this section. Any property that would have qualified for  
21 exemption had a timely claim been filed under subsection (1) of this section  
22 is exempt from taxation for each tax year for which the property would have  
23 qualified.

24 “(d) A claim for exemption under this subsection may be filed only for tax  
25 years for which the time for filing a claim under subsections (1) and (2)(a)  
26 of this section has expired. A claim filed under this subsection, however, may  
27 serve as the claim required under subsection (1) of this section for the cur-  
28 rent tax year.

29 “(e) A late filing fee collected under this subsection must be deposited in  
30 the county general fund.

1 “(6) For each tax year for which an exemption granted pursuant to sub-  
2 section (2) or (5) of this section applies:

3 “(a) Any tax, or interest attributable thereto, that was paid with respect  
4 to the property that is declared exempt from taxation must be refunded. Re-  
5 funds must be made without interest from the unsegregated tax collections  
6 account established under ORS 311.385.

7 “(b) Any tax, or interest attributable thereto, that remains unpaid as of  
8 the date the exemption is granted must be abated.

9 “(7) If an institution or organization owns property that is exempt from  
10 taxation under a provision of law listed in subsection (1) of this section and  
11 changes the use of the property to a use that would not entitle the property  
12 to exemption from taxation, the institution or organization must notify the  
13 county assessor of the change to a taxable use within 30 days.

14 **“SECTION 5. (1) Except as provided in subsection (2) of this section,**  
15 **section 2 of this 2014 Act applies to property tax years beginning on**  
16 **or after July 1, 2014.**

17 **“(2) Section 2 of this 2014 Act applies to property tax years begin-**  
18 **ning on or after July 1, 2011, and before July 1, 2014, with respect to**  
19 **any property tax disputes that are materially affected by section 2 of**  
20 **this 2014 Act and that are not final on the effective date of this 2014**  
21 **Act.**

22 **“(3)(a) The amendments to ORS 307.162 by section 3 of this 2014 Act**  
23 **apply to property tax years beginning on or after July 1, 2014.**

24 **“(b) The amendments to ORS 307.162 by section 4 of this 2014 Act**  
25 **apply to property tax years beginning on or after July 1, 2018.**

26 **“SECTION 6. Section 2 of this 2014 Act is repealed on June 30,**  
27 **2018.”.**

28 In line 17, delete “2” and insert “7”.

29