

Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session
STAFF MEASURE SUMMARY
House Committee On Revenue

MEASURE: HB 2487
CARRIER: Rep. Bentz

Fiscal: No Fiscal Impact

Revenue: Has minimal revenue impact

Action Date: 02/26/15

Action: Do Pass.

Meeting Dates: 02/26, 02/16

Vote:

Yeas: 8 - Barnhart, Bentz, Johnson, Lininger, Read, Smith Warner, Vega Pederson, Whitsett

Exc: 1 - Davis

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WHAT THE MEASURE DOES:

Requires correction of maximum assessed value resulting from assessor changes in property square footage to be proportional to change in real market value of property resulting from the changes in property square footage.

ISSUES DISCUSSED:

- Authority of local assessors under current and proposed law
- Effect of legislation on reductions in property square footage.

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

Under current law, the assessor may reduce maximum assessed value (MAV) if a taxpayer informs the assessor of a discrepancy in the assessed and actual square footage of the taxpayer's property. Current law requires that the reduction in MAV be proportionate to the difference in square footage. Following this calculation could lead to value changes not reflective of actual market conditions causing the assessor to choose not to make the adjustment in MAV.

The proposed changes would still give the assessor discretion in reducing MAV, but the formula used would be reflective of the market value of the square footage change. For example, a 5% reduction in square footage may only be reflective of a 3% reduction in value if that is what market rates would determine it as.