

**REVENUE IMPACT OF
PROPOSED LEGISLATION
Seventy-Eighth Oregon Legislative
Assembly
2015 Regular Session
Legislative Revenue Office**

**Bill Number: HB 3082
Revenue Area: Property Tax
Economist: Kyle Easton
Date: 3/23/2015**

*Only Impacts on Original or Engrossed
Versions are Considered Official*

This office has reviewed the proposed legislation and determined that it has

Minimal Revenue Impact

The measure provides local governing bodies the ability to elect either of two definitions of “low income” for purposes of exemption qualification under ORS 307.541, Nonprofit Corporation Low Income Housing. The definition of low income can either be at or below 60 percent of the area median income (AMI) or 60 percent of AMI for initial year of occupancy with subsequent consecutive years AMI at or below 80 percent.

Under current law, if income of any resident of a nonprofit corporation low income housing exceeds the statutory limit, then for the property to continue receiving the exemption, the resident(s) must no longer be housed on the property. If a property receiving exemption continues to house residents above the statutory income limits, then the property no longer receives the exemption.

The increased AMI criteria provided for in this measure could lead to an expansion of the number of properties providing low income housing and/or reduce the likelihood of existing properties being subject to taxation due to residents of the properties exceeding the AMI limits. Acceptance of the expanded AMI limits are at the discretion of local governing bodies, reductions in revenue to local districts are expected to be minimal.

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