

STAFF MEASURE SUMMARY

Senate Committee On Veterans and Emergency Preparedness

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Action Date: 04/21/15

Action: Do Pass With Amendments. Refer To Finance And Revenue By Prior Reference (Printed A-Eng).

Meeting Dates: 02/24, 03/03, 03/10, 04/21

Vote:

Yeas: 4 - Boquist, Monnes Anderson, Olsen, President Courtney

Prepared By: Cheyenne Ross, Committee Administrator

WHAT THE MEASURE DOES:

Exempts from taxation up to \$60,000 of assessed value of home or personal property of veterans with 100- percent service-connected disability.

ISSUES DISCUSSED:

- Unknown number of veterans or surviving spouses that could claim exemption
- Approximately 7,600 veterans in Oregon with 100-percent service-connected disability
- Percentage of veterans' with 100-percent service-connected disability that own homes
- Types and amounts of property tax exemptions offered by other states

EFFECT OF COMMITTEE AMENDMENT:

Removes extension of exemption to surviving spouses who remarry for the first time after age 56.

BACKGROUND:

Oregon currently offers a couple of property tax exemptions to qualifying disabled veterans. The first exemption is up to \$15,000 of the assessed value of the veteran's home or personal property, if the veteran is at least 40-percent disabled with gross earnings that do not exceed a certain limit. This exemption may be claimed by the veteran's surviving spouse so long as he or she does not remarry. The second exemption is up to \$18,000 of the assessed value of the veteran's home or personal property, if the veteran suffers from a service-connected disability or disabilities of at least 40-percent. This exemption may also be claimed by the veteran's surviving spouse, so long as he or she remains unmarried, if the veteran received the exemption for at least a year prior to death or died from service-connected injury or illness.

Senate Bill 434-A creates a third, higher exemption of up to \$60,000 of the assessed value of a veteran's home or personal property, for veterans who suffer from a 100-percent service-connected disability or disabilities, which may also be claimed by the veteran's surviving spouse if it was received for a year prior to the veteran's death, or if the veteran died from service-connected injury or illness.