

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

Bill Number: SB 434 - B  
Revenue Area: Property Tax  
Economist: Kyle Easton  
Date: 6/5/2015

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

**Measure Description:**

Expands homestead property tax exemption for veterans with service-connected disabilities of 100 percent or more. Exemption amount to be equal to \$60,000 of the assessed value of veteran's homestead or personal property. Allows surviving spouse of a qualifying veteran to receive exemption so long as surviving spouse remains unmarried. Applies to property tax years beginning on or after July 1, 2015.

**Revenue Impact (in \$Millions):**

	Fiscal Year		Biennium		
	2015-16	2016-17	2015-17	2017-19	2019-21
<b>Local Government</b>	(1.7)	(1.7)	(3.4)	(3.6)	(3.8)
<b>Local Education Districts</b>	(1.4)	(1.4)	(2.7)	(2.9)	(3.1)
<b>Total Revenue Change</b>	(3.0)	(3.1)	(6.1)	(6.5)	(6.9)

**Impact Explanation:**

The revenue impact reflects the difference in the \$60,000 assessed value exemption amount that veterans with service connected disabilities of 100 percent or more and their surviving spouses will receive as compared to existing law exemption amount of about \$23,500. The revenue impact in fiscal year 2015-16 will depend in part on whether assessors already have or will need to receive the necessary paperwork related to veteran service connected disability documentation.

**Creates, Extends, or Expands Tax Expenditure:** Yes  No

The policy purpose of this measure is to expand, for veterans with service connected disabilities of 100 percent or more and their surviving unmarried spouses, the existing disabled veterans and their surviving spouses' property tax exemption amount. The exemption recognizes the sacrifice and service to country made by veterans and helps to compensate veterans and surviving spouses for reductions in civilian earning capacity.