

HOUSE AMENDMENTS TO HOUSE BILL 2083

By COMMITTEE ON REVENUE

May 7

1 On page 1 of the printed bill, line 2, after the semicolon delete the rest of the line and delete
2 line 3 and insert “creating new provisions; amending ORS 311.356, 311.670, 311.672, 311.675, 311.679,
3 311.683, 311.688, 311.689 and 311.695 and section 1, chapter 494, Oregon Laws 2013; and prescribing
4 an effective date.”.

5 Delete lines 5 through 28 and delete pages 2 through 6 and insert:

6 “**SECTION 1.** ORS 311.670 is amended to read:

7 “311.670. (1) Property is not eligible for tax deferral under ORS 311.666 to 311.701 unless, at the
8 time a claim is filed and during the period for which deferral is claimed[:], **the property meets the**
9 **requirements of this section.**

10 “[*a*] (2)(a) The property [*has*] **for which the claim is filed must have** been the homestead
11 of the individual or individuals who file the claim for deferral for at least five years preceding April
12 15 of the year in which the claim is filed, except for an individual required to be absent from the
13 homestead by reason of health.

14 “(b) **The five-year requirement under paragraph (a) of this subsection does not apply to**
15 **a homestead that meets all other requirements of this section, if the individual or individuals**
16 **filing the claim for deferral:**

17 “(A) **Moved to the homestead for which the claim is filed from a homestead that was**
18 **granted deferral under ORS 311.666 to 311.701 and was of greater real market value than the**
19 **homestead for which the claim is filed;**

20 “(B) **Sell the prior homestead within one year of purchasing the homestead for which the**
21 **claim is filed;**

22 “(C) **Satisfy any lien created under ORS 311.673 or 311.679 and attached to the prior**
23 **homestead; and**

24 “(D) **Provide a written attestation that the individual or individuals incurred debt for not**
25 **more than 80 percent of the purchase price of the homestead for which the claim is filed.**

26 “[*b*] (3) The individual claiming the deferral, individually or jointly, [*owns*] **must own** the fee
27 simple estate under a recorded instrument of sale, or two or more individuals together **must own**
28 the fee simple estate with rights of survivorship under a recorded instrument of sale if all owners
29 live in the property and if all owners apply for the deferral jointly.

30 “[*c*] (4)(a) The homestead [*is*] **must be** insured for fire and other casualty.

31 “(b) **If the homestead meets all other requirements of this section and is insurable for**
32 **fire and other casualty but not insured, the Department of Revenue may purchase insurance**
33 **for the homestead and add the cost of the insurance coverage to a lien created under ORS**
34 **311.679.**

35 “[*d*] (5) There [*is*] **may be** no prohibition to the deferral of property taxes contained in any

1 provision of federal law, rule or regulation applicable to a mortgage, trust deed, land sale contract
2 or conditional sale contract for which the homestead is security.

3 “[2] (6) [Notwithstanding subsection (1) of this section,] A homestead is not eligible for deferral
4 under ORS 311.666 to 311.701 if the real market value of the homestead entered on the last certified
5 assessment and tax roll is equal to or greater than:

6 “(a) 100 percent of county median RMV if, as of April 15 of the year in which a claim is filed,
7 the taxpayers have continuously owned and lived in the homestead [at least five years but] less than
8 seven years.

9 “(b) 110 percent of county median RMV if, as of April 15 of the year in which a claim is filed,
10 the taxpayers have continuously owned and lived in the homestead at least seven years but less than
11 nine years.

12 “(c) 120 percent of county median RMV if, as of April 15 of the year in which a claim is filed,
13 the taxpayers have continuously owned and lived in the homestead at least nine years but less than
14 11 years.

15 “(d) 130 percent of county median RMV if, as of April 15 of the year in which a claim is filed,
16 the taxpayers have continuously owned and lived in the homestead at least 11 years but less than
17 13 years.

18 “(e) 140 percent of county median RMV if, as of April 15 of the year in which a claim is filed,
19 the taxpayers have continuously owned and lived in the homestead at least 13 years but less than
20 15 years.

21 “(f) 150 percent of county median RMV if, as of April 15 of the year in which a claim is filed,
22 the taxpayers have continuously owned and lived in the homestead at least 15 years but less than
23 17 years.

24 “(g) 160 percent of county median RMV if, as of April 15 of the year in which a claim is filed,
25 the taxpayers have continuously owned and lived in the homestead at least 17 years but less than
26 19 years.

27 “(h) 170 percent of county median RMV if, as of April 15 of the year in which a claim is filed,
28 the taxpayers have continuously owned and lived in the homestead at least 19 years but less than
29 21 years.

30 “(i) [180] **200** percent of county median RMV if, as of April 15 of the year in which a claim is
31 filed, the taxpayers have continuously owned and lived in the homestead at least 21 years but less
32 than 23 years.

33 “(j) [190] **225** percent of county median RMV if, as of April 15 of the year in which a claim is
34 filed, the taxpayers have continuously owned and lived in the homestead at least 23 years but less
35 than 25 years.

36 “(k) [200] **250** percent of county median RMV if, as of April 15 of the year in which a claim is
37 filed, the taxpayers have continuously owned and lived in the homestead for 25 years or more.

38 “**SECTION 2.** ORS 311.679 is amended to read:

39 “311.679. (1)(a) At the time that property taxes are deferred under ORS 311.666 to 311.701, or
40 if property taxes were deferred prior to July 1, 1990, the Department of Revenue shall estimate the
41 amount of property taxes deferred for tax years beginning on or after July 1, 1990, interest on the
42 deferred taxes, **the cost of insurance purchased pursuant to ORS 311.670 (4)(b)** and any fees
43 paid by the department in connection with lien filing, recording, release or satisfaction.

44 “(b) The department shall have a lien in the amount of the estimate.

45 “(2) If during the period of deferral the amount of taxes[,] **and interest on the deferred taxes,**

1 **the cost of insurance purchased pursuant to ORS 311.670 (4)(b)** and fees exceeds the estimate
2 under subsection (1) of this section, the department shall have a lien for the amount of the excess.

3 “(3)(a) A lien created under subsection (1) of this section attaches to the homestead to which
4 the deferral relates on July 1 of the first tax year of deferral or on July 1, 1990, as applicable.

5 “(b) A lien for the excess created under subsection (2) of this section attaches to the homestead
6 on July 1 of the tax year in which the excess occurs.

7 “(4) A lien created under subsection (1) or (2) of this section has the same priority as other real
8 property tax liens except that liens of mortgages, trust deeds or security interests that are filed,
9 recorded or noted on a certificate of title or in any record maintained by the Department of Con-
10 sumer and Business Services pursuant to ORS 446.566 to 446.646 prior in time to the attachment of
11 a lien [*for deferred taxes*] **created under subsection (1) or (2) of this section** are prior to the lien
12 [*for deferred taxes*] **created under subsection (1) or (2) of this section**.

13 “(5)(a) The notice of lien for deferred taxes recorded as provided in ORS 311.675 (1) and (2)
14 arising on or after October 3, 1989, shall list the amount of the estimate of deferred taxes[,] **and**
15 **interest on the deferred taxes, the cost of insurance purchased pursuant to ORS 311.670 (4)(b)**
16 and fees made by the department under subsection (1) of this section. Any amendment to the notice
17 of lien to reflect a lien for excess, as described under subsection (2) of this section, shall list the
18 amount of the excess that the department claims as a lien.

19 “(b) If notice of lien with respect to any homestead has been filed or recorded as provided under
20 ORS 311.675 (1) to (3) prior to January 1, 1990, and the lien has not been released or satisfied, the
21 department shall cause a further notice of lien to be recorded in the mortgage records of the county.
22 The further notice of lien shall list the amount of the estimate of deferred taxes and interest made
23 by the department under subsection (1) of this section and any amendment to the notice to reflect
24 a lien for excess, described under subsection (2) of this section, and shall list the amount of the
25 excess that the department claims as lien.

26 “(6)(a) A lien created under this section may be foreclosed by the department as if it were a
27 purchase money mortgage under ORS chapter 88.

28 “(b) In a foreclosure action under this section, a court may award:

29 “(A) Reasonable attorney fees to the prevailing party.

30 “(B) All costs associated with foreclosure of the lien to the department if the department pre-
31 vails.

32 “(7) Receipts from foreclosure proceedings shall be credited in the same manner as other re-
33 payments of deferred property taxes under ORS 311.701.

34 “(8)(a) By means of voluntary payment made as provided under ORS 311.690, the taxpayer may
35 limit the amount of the lien [*for deferred taxes*] created under this section.

36 “(b) If the taxpayer desires that the limit be reflected in the records of the county, the taxpayer
37 must request, subject to any rules adopted by the department, that the department cause a partial
38 satisfaction of the lien to be recorded in the county.

39 “(c) Upon receipt of such a request, the department shall cause a partial satisfaction, in the
40 amount of the voluntary payment, to be recorded.

41 “(d) Nothing in this subsection affects the priority of the liens of the department, as originally
42 created under subsections (1) and (2) of this section.

43 “(9)(a) Nothing in this section affects any lien arising under ORS 311.666 to 311.701 for taxes
44 assessed before January 1, 1990.

45 “(b) A lien for taxes does not arise under ORS 311.666 to 311.701 for taxes assessed after De-

1 cember 31, 1989, except as provided under this section.

2 “(10) This section first applies to liens [*for deferred taxes arising*] **created** on or after October
3 3, 1989.

4 “**SECTION 3.** ORS 311.689 is amended to read:

5 “311.689. (1) The Department of Revenue shall certify the eligibility of each homestead granted,
6 and the respective taxpayers claiming, deferral under ORS 311.666 to 311.701, not less than once
7 every three years.

8 “(2) The department shall notify the taxpayers in writing of the obligation to certify eligibility
9 under this section and the taxpayers shall respond, by the means prescribed by the department,
10 within 65 days after the department sends the notification.

11 “**(3) If the Department of Revenue has not received a response from the taxpayers within**
12 **35 days after sending the notification, the department shall, as soon as practicable, elec-**
13 **tronically notify an office of the Aging and Disability Resource Connection in the county in**
14 **which the homestead is located or the seniors and people with disabilities division of the**
15 **Department of Human Services that the taxpayers have failed to respond to the notice as**
16 **required under subsection (2) of this section. The Department of Revenue may identify the**
17 **taxpayers by name, address and phone number if available.**

18 “[*(3)*] **(4)(a)** [*Failure to respond as required under subsection (2) of this section renders the*]
19 **Notwithstanding ORS 311.672 (3)(c), a homestead shall be** ineligible for deferral for the next fol-
20 lowing property tax year **if:**

21 “**(A) The department receives information showing that the homestead is not eligible for,**
22 **or the taxpayers are not eligible to claim, the deferral; or**

23 “**(B) The Department of Revenue has not received a response to the notice sent under**
24 **subsection (2) of this section within 30 days after notifying the office of the Aging and Disa-**
25 **bility Resource Connection or the seniors and people with disabilities division of the Depart-**
26 **ment of Human Services under subsection (3) of this section.**

27 “**(b)** This subsection does not preclude the grant of deferral to an eligible homestead in any
28 subsequent property tax year for which an eligible claimant files a timely application under ORS
29 311.672.

30 “**SECTION 4.** ORS 311.672 is amended to read:

31 “311.672. (1)(a) A taxpayer’s claim for deferral under ORS 311.666 to 311.701 must:

32 “(A) Be in writing on a form supplied by the Department of Revenue;

33 “(B) Describe the homestead;

34 “(C) Recite all facts establishing the eligibility of the homestead for, and of the taxpayers to
35 claim, the deferral; and

36 “(D) Have attached:

37 “(i) Any documentary proof required by the department; and

38 “(ii) A statement verified by a written declaration of all taxpayers claiming deferral to the effect
39 that the statements contained in the claim are true.

40 “(b) The claim for deferral must be filed with the assessor of the county in which the homestead
41 is located, after January 1 and on or before April 15 immediately preceding the property tax year
42 for which deferral is claimed.

43 “(2) The county assessor shall forward each claim filed under this section to the department,
44 and the department shall determine whether the property is eligible for the deferral.

45 “(3) If the taxpayers and the homestead are determined to be eligible under ORS 311.668 and

1 311.670, respectively, a timely claim for deferral has the effect of:

2 “(a) Deferring the payment of the property taxes levied on the homestead for the property tax
3 year beginning on July 1 of the year in which the claim is filed.

4 “(b) Continuing the deferral of the payment by the taxpayers of any property taxes deferred
5 under ORS 311.666 to 311.701 for previous years that have not become delinquent under ORS
6 311.686.

7 “(c) **Except as otherwise provided in ORS 311.689**, continuing the deferral of the payment by
8 the taxpayers of any future property taxes for as long as the homestead remains eligible for, and the
9 taxpayers remain eligible to claim, the deferral.

10 “(4)(a) Notwithstanding subsection (3) of this section:

11 “(A) For the property tax year beginning on July 1, 2012, the maximum number of claims for
12 deferral under ORS 311.666 to 311.701 that may be granted to taxpayers who have not previously
13 been granted deferral is the number of such claims granted for the property tax year beginning on
14 July 1, 2011, multiplied by 105 percent.

15 “(B) For each property tax year beginning after July 1, 2012, the maximum number of claims for
16 deferral that may be granted to taxpayers who have not previously been granted deferral is the
17 maximum number determined under this subsection for the immediately preceding property tax year
18 multiplied by 105 percent.

19 “(b) For purposes of paragraph (a) of this subsection, spouses who continue deferral under ORS
20 311.688 are not considered taxpayers who have not previously been granted deferral.

21 “(c) If the number of eligible claims described in paragraph (a) of this subsection exceeds the
22 maximum number determined under paragraph (a) of this subsection, claims shall be granted in as-
23 cending order based on the ratio that is equal to the real market value of the homestead entered
24 on the last certified assessment and tax roll divided by the county median RMV of the homestead
25 determined under ORS 311.670 [(2)] (6), until the maximum number determined under paragraph (a)
26 of this subsection is reached.

27 “(5) Any taxpayer aggrieved by the denial of a claim for, or discontinuation of, deferral under
28 ORS 311.666 to 311.701 may appeal in the manner provided by ORS 305.404 to 305.560.

29 “**SECTION 5.** ORS 311.688 is amended to read:

30 “311.688. (1) Notwithstanding ORS 311.684, when one of the circumstances listed in ORS 311.684
31 (1) to (3) occurs, the spouse who was not eligible to or did not file a claim jointly with the taxpayer
32 may continue the property in its deferred tax status by filing a claim in the manner prescribed under
33 ORS 311.672 if:

34 “(a) The spouse of the taxpayer is or will be 60 years of age or older not later than six months
35 from the day the circumstance listed in ORS 311.684 (1) to (3) occurs; and

36 “(b) The property is the homestead of the spouse of the taxpayer and meets the requirements
37 of ORS 311.670 [(1)].

38 “(2)(a) A spouse who does not meet the age requirements of subsection (1)(a) of this section but
39 is otherwise qualified to continue the property in its tax-deferred status under subsection (1) of this
40 section may continue the deferral of property taxes deferred for previous years by filing a claim in
41 the manner prescribed under ORS 311.672.

42 “(b) If a spouse eligible for and continuing the deferral of taxes previously deferred under this
43 subsection becomes 62 years of age prior to April 15 of any year, the spouse may continue the
44 deferral of previous years’ taxes deferred under this subsection and may elect to defer the current
45 assessment year’s taxes on the homestead by filing a claim in the manner prescribed under ORS

1 311.672.

2 “(c) After a claim is filed under paragraph (b) of this subsection, payment of the taxes levied
3 on the homestead and deferred under this subsection and payment of taxes levied on the homestead
4 in the current assessment year and in future years may be deferred under ORS 311.666 to 311.701.

5 “(3) Notwithstanding ORS 311.672, if the Department of Revenue determines that good and suf-
6 ficient cause exists for the failure of a spouse to file a claim under this section on or before April
7 15, the claim may be filed within 180 days after notice of taxes due and payable under ORS 311.686
8 is mailed or delivered by the department to the taxpayer or spouse.

9 “**SECTION 6.** ORS 311.675 is amended to read:

10 “311.675. (1) In each county in which there is tax-deferred property, the Department of Revenue
11 shall cause to be recorded in the mortgage records of the county a list of tax-deferred properties
12 that lie in the county. The list shall contain a description of the property as listed on the assessment
13 roll together with the name of the owner as listed on the assessment roll.

14 “(2)(a) The recording of tax-deferred properties under subsection (1) of this section is notice that
15 the Department of Revenue claims a lien against those properties in the amount of the deferred
16 taxes plus interest on the deferred taxes [*together with*], **the cost of insurance purchased pursu-**
17 **ant to ORS 311.670 (4)(b) and** any fees paid by the department in connection with the filing, re-
18 cording, release or satisfaction of the lien.

19 “(b) If the recording of tax-deferred properties under subsection (1) of this section occurred prior
20 to January 1, 1990, the recording is notice that the department claims a lien against those properties
21 in the amount of the deferred taxes plus interest on the deferred taxes [*together with*], **the cost of**
22 **insurance purchased pursuant to ORS 311.670 (4)(b) and** any fees paid by the department in
23 connection with the filing, recording, release or satisfaction of the lien, whether or not the amount
24 of taxes[,] **and interest on the deferred taxes, the cost of insurance purchased pursuant to ORS**
25 **311.670 (4)(b)** or fees is listed.

26 “(3)(a) When an ownership document is issued under ORS 446.566 to 446.646, or issuance of the
27 document is pending, for a tax-deferred manufactured structure assessed as personal property under
28 ORS 308.875, the Department of Revenue shall file with the Department of Consumer and Business
29 Services an application for notation of the deferred property tax lien as a security interest on behalf
30 of the State of Oregon. The Department of Consumer and Business Services shall note the lien as
31 a security interest in the same manner as other security interests in manufactured structures. A lien
32 noted as a security interest in records maintained by the Department of Consumer and Business
33 Services pursuant to ORS 446.566 to 446.646 shall have the same legal effect as other security in-
34 terests in manufactured structures.

35 “(b) For any other tax-deferred homestead assessed as personal property, the Department of
36 Revenue may file notice of the deferred property tax lien as a security interest on behalf of the State
37 of Oregon with the office of the Secretary of State or with any other designated filing office pursu-
38 ant to ORS chapter 79.

39 “(4)(a) Notwithstanding the provisions of ORS 182.040 to 182.060 and 205.320 relating to the time
40 and manner of payment of fees to the county clerk, the department shall not be required to pay any
41 filing, indexing or recording fees to the county in connection with the filing, recording, release or
42 satisfaction of liens against tax-deferred properties of that county in advance or at the time entry
43 is made. The manner of payment of the fees shall be as provided in ORS 205.395 for the payment
44 of fees for filing, recording and making entry of warrants or orders in the County Clerk Lien Record.

45 “(b) The Department of Revenue shall pay filing fees for any application for notation of the de-

1 ferred property tax lien as a security interest in tax-deferred properties to the Department of Con-
2 sumer and Business Services as provided in ORS 446.646 or in rules adopted under ORS 446.646.

3 “(c) If the Department of Revenue files notice of the deferred property tax lien as a security
4 interest on behalf of the State of Oregon with the office of the Secretary of State or with any other
5 designated filing office under subsection (3) of this section, the department shall pay filing fees to
6 the Secretary of State or to the other filing office pursuant to ORS chapter 79.

7 “**SECTION 7.** ORS 311.683 is amended to read:

8 “311.683. (1) If tax-deferred homestead property is acquired by the Department of Transportation
9 through condemnation, the taxpayer may elect to continue to defer the payment of taxes and inter-
10 est **and the cost of insurance purchased pursuant to ORS 311.670 (4)(b)** by:

11 “(a) Filing a written notice of intent to continue deferral with the Department of Revenue on
12 or before 30 days after the date the Department of Transportation has acquired title to the con-
13 demned homestead; and

14 “(b) Filing a claim for deferral with respect to a new homestead within one year after the De-
15 partment of Transportation has acquired title to the condemned homestead.

16 “(2) Upon receipt of a notice of intent to continue deferral of taxes attributable to a condemned
17 homestead **under subsection (1) of this section**, the Department of Revenue shall prepare an es-
18 timate of the amount of taxes[,] **and interest, the cost of insurance purchased pursuant to ORS**
19 **311.670 (4)(b)** and fees that have been and, if approved under subsections (3) and (5) of this section,
20 will continue to be deferred upon the release and satisfaction of the lien on the condemned home-
21 stead and the recordation of the lien on the new homestead.

22 “(3) After preparing the estimate described in subsection (2) of this section, the Department of
23 Revenue shall grant a temporary deferral of taxes with respect to the condemned homestead not to
24 exceed the length of time described in subsection (1)(b) of this section if:

25 “(a) The Department of Transportation has acquired title to the condemned homestead; and

26 “(b) The taxpayer has a legally enforceable escrow agreement with a title company that:

27 “(A) Provides for an interest-bearing escrow account in which moneys are deposited that are
28 sufficient to pay in full the amount of deferred taxes[,] **and interest, the cost of insurance pur-**
29 **chased pursuant to ORS 311.670 (4)(b)** and fees on the condemned homestead property as esti-
30 mated under subsection (2) of this section;

31 “(B) Establishes the Department of Revenue as the beneficiary of the escrow agreement;

32 “(C) Provides that the moneys of the escrow account are to be released to the taxpayer upon
33 the Department of Revenue’s approval of continued deferral under subsection (5) of this section and
34 the recordation of the lien described in subsection (6) of this section with the county clerk; and

35 “(D) Provides that the full amount of the estimated deferred taxes[,] **and interest, the cost of**
36 **insurance purchased pursuant to ORS 311.670 (4)(b)** and fees related to the condemned home-
37 stead are to be released to the Department of Revenue if the continued deferral described in sub-
38 section (5) of this section is not granted by the Department of Revenue.

39 “(4) The Department of Revenue shall provide a release or satisfaction of the lien on the con-
40 demned homestead when an escrow account has been established as provided under subsection (3)
41 of this section.

42 “(5) Upon receipt of a claim for the deferral of taxes for a new homestead that also seeks to
43 continue the deferral of taxes attributable to a condemned homestead for which a temporary deferral
44 has been granted under subsection (3) of this section, the Department of Revenue shall approve the
45 continued deferral of the taxes temporarily deferred under subsection (3) of this section if:

1 “(a) The taxpayer’s equity interest in the new homestead equals or exceeds in value the total
2 of the amount of deferred taxes[,] **and interest, the cost of insurance purchased pursuant to ORS**
3 **311.670 (4)(b)** and fees on the condemned homestead as estimated under subsection (2) of this sec-
4 tion, plus \$10,000;

5 “(b) The taxpayer is entitled to tax deferral under ORS 311.666 to 311.701 with respect to the
6 new homestead; and

7 “(c) The taxpayer consents to the continued deferral of taxes and to the lien on the new home-
8 stead property as provided in subsection (6) of this section.

9 “(6) Upon granting the continued deferral under subsection (5) of this section, the Department
10 of Revenue shall have a lien on the new homestead in the amount of the estimate prepared under
11 subsection (2) of this section plus interest and any fees incurred in connection with the recording
12 of the lien. The lien described in this subsection shall be in addition to any other lien under ORS
13 311.673 that the Department of Revenue shall have with respect to the new homestead. The pro-
14 visions of ORS 311.679 relating to liens shall apply to the lien described in this subsection. At the
15 time the lien described in this subsection is recorded, the escrow account described in subsection
16 (3) of this section shall be closed and the moneys in the account released to the taxpayer.

17 “(7) The Department of Revenue may prescribe such rules as are needed to implement the pro-
18 visions of this section.

19 “**SECTION 8.** ORS 311.695 is amended to read:

20 “311.695. (1) A transferee of a homestead who is ineligible to claim, or does not claim, deferral
21 under ORS 311.666 to 311.701, or that is not an individual, is jointly and severally liable for amounts
22 payable under ORS 311.686 to the extent of the positive amount, if any, remaining after subtracting
23 the amount of all liens prior to the Department of Revenue’s liens for deferred taxes arising under
24 ORS 311.673 or 311.679 from the real market value of the homestead entered on the last certified
25 assessment and tax roll prior to the date of the transfer.

26 “(2) The department shall issue by mail a notice of liability to a transferee after deferred
27 amounts for which the transferee is liable under this section become payable under ORS 311.686.

28 “(3)(a) Within 30 days after the department mails the notice of liability required under sub-
29 section (2) of this section, the transferee:

30 “(A) Shall pay the deferred amounts, plus interest, **the cost of insurance purchased pursuant**
31 **to ORS 311.670 (4)(b)** and fees; or

32 “(B)(i) Shall notify the department in writing of objections to the notice of liability; and

33 “(ii) May request a conference. The provisions of ORS 305.265 governing a conference requested
34 relating to a notice of deficiency apply to a conference requested under this sub-subparagraph.

35 “(b) If the department does not receive payment or written objection to the notice of liability
36 within 30 days after the notice has been mailed, the notice of liability becomes final.

37 “(c) A transferee may appeal the notice of liability to the tax court in the manner provided for
38 an appeal from a notice of assessment within 90 days after the notice becomes final under this
39 subsection.

40 “(4)(a) After a conference, or, if no conference is requested, a determination of the issues raised
41 by the written objections, the department shall mail to the transferee a conference letter affirming,
42 canceling or adjusting the notice of liability.

43 “(b) Within 90 days after the date on which the conference letter is mailed to the transferee, the
44 transferee shall pay the deferred amounts, plus interest, **the cost of insurance purchased pursu-**
45 **ant to ORS 311.670 (4)(b)** and fees, or appeal to the tax court in the manner provided for an appeal

1 from a notice of assessment.

2 “(5)(a) If more than one transferee may be held jointly and severally liable for payment of de-
3 ferred amounts under this section, the department may require any or all of the transferees who
4 may be held liable to appear before the department for a joint determination of liability. The de-
5 partment shall notify each transferee of the time and place set for the determination of liability.

6 “(b) Each transferee notified of a joint determination under this subsection shall appear and
7 present such information as is necessary to establish that person’s liability or nonliability for pay-
8 ment of deferred amounts to the department. If any person notified fails to appear, the department
9 shall make its determination on the basis of all the information and evidence presented. The
10 department’s determination shall be binding on all persons notified and required to appear under
11 this subsection.

12 “(c)(A) If an appeal is taken to the Oregon Tax Court pursuant to ORS 305.404 to 305.560 by
13 any transferee determined to be liable for deferred amounts under this subsection, each person re-
14 quired to appear before the department under this subsection shall be impleaded by the plaintiff.
15 The department may implead any transferee who may be held jointly and severally liable for the
16 payment of deferred amounts. Each person impleaded under this paragraph shall be made a party
17 to the action before the tax court and shall make available to the tax court such information as
18 was presented before the department, as well as such other information as may be presented to the
19 court.

20 “(B) The court may determine that one or more persons impleaded under this paragraph are li-
21 able for deferred amounts without regard to any earlier determination by the department that an
22 impleaded person was not liable for deferred amounts.

23 “(C) If any person required to appear before the court under this subsection fails or refuses to
24 appear or bring such information in part or in whole, or is outside the jurisdiction of the tax court,
25 the court shall make its determination on the basis of all the evidence introduced. All such evidence
26 shall constitute a public record and shall be available to the parties and the court. The determi-
27 nation of the tax court shall be binding on all persons made parties to the action under this sub-
28 section.

29 “(d) Nothing in this section shall be construed to preclude a determination by the department
30 or the Oregon Tax Court that more than one transferee is jointly and severally liable for deferred
31 amounts.

32 “**SECTION 9.** ORS 311.356 is amended to read:

33 “311.356. (1) After receipt of the tax roll each year the tax collector shall receive and receipt
34 for all moneys received for taxes and other amounts charged on such roll, and for each payment,
35 shall note on the tax roll at the appropriate property assessment the following:

36 “(a) The date payment was received.

37 “(b) The amount of the payment.

38 “(c) The discount allowed, if any.

39 “(d) The interest charged, if any.

40 “(e) The number of the receipt issued for such payment.

41 “(2) Except as provided under subsection (3)(a) and (c) of this section, the tax collector shall
42 credit all payments of property taxes as follows:

43 “(a) First, to the payment of any taxes assessed against and due on the property for which the
44 payment was made, paying first the earliest such taxes due on that property; and

45 “(b) Second, to the payment of taxes assessed on any other property which have by any means

1 become a lien against the property for which the payment was made.

2 “(3)(a) Payments of property taxes made by the state on behalf of tax-deferred homestead prop-
3 erty under ORS 311.666 to 311.701 shall be credited to the current tax year.

4 “(b) At the election of the taxpayer, payments of property taxes made by the taxpayer on behalf
5 of tax-deferred homestead property under ORS 311.666 to 311.701 shall be credited as provided in
6 subsection (2) of this section, except that the payments shall be credited first to the payment of
7 taxes that are not qualified to be deferred under ORS 311.688 (1) or as a result of a determination
8 of ineligibility made pursuant to ORS 311.689 [(1)], paying first the earliest of such taxes due on that
9 property.

10 “(c) Notwithstanding any contrary direction from the taxpayer, the tax collector shall credit
11 payments of property taxes to the latest year for which taxes are due on the property for which
12 payment is made if:

13 “(A) The payment is made by a payer who is a mortgagee, beneficiary under a deed of trust or
14 vendor under a land sales contract and who pays taxes on behalf of any taxpayer; and

15 “(B) The mortgagee, beneficiary or vendor directs that the payment be credited to the latest
16 year for which taxes are due on the property; and

17 “(C) The mortgagee, beneficiary or vendor includes in the payment submitted with the direction
18 given under subparagraph (B) of this paragraph only the amounts for the payment of taxes on one
19 or more properties for which delinquent taxes are owed and does not include in that payment taxes
20 on property for which no delinquent taxes are owed.

21 “(d) If the mortgagee, beneficiary or vendor does not direct the tax collector as to the applica-
22 tion of taxes being paid, then the tax collector shall apply all payments as provided under subsection
23 (2) of this section.

24 “(4) The tax collector may, for convenience, divide the tax roll, as payments are made, into two
25 portions, and file each separately, one portion containing the paid accounts and another portion
26 containing the unpaid accounts. From time to time, and no later than the receipt of the next year’s
27 tax roll, the tax collector shall compute and indicate on the tax roll the unpaid balance of taxes for
28 each property assessment.

29 “**SECTION 10.** Section 1, chapter 494, Oregon Laws 2013, is amended to read:

30 “**Sec. 1.** (1) Notwithstanding section 24 (1), chapter 723, Oregon Laws 2011, the amendments to
31 ORS 311.670 by section 3, chapter 723, Oregon Laws 2011, relating to the five-year minimum re-
32 quirement and the amendments to ORS 311.700 by section 16, chapter 723, Oregon Laws 2011, re-
33 lating to reverse mortgages do not apply to a homestead that had been granted deferral under ORS
34 311.666 to 311.701 for any property tax years beginning before July 1, 2011.

35 “(2) The Department of Revenue shall provide notice to all individuals with inactive deferral
36 accounts of the following:

37 “(a) The provisions of this section;

38 “(b) That the individuals may be eligible to claim deferral under ORS 311.666 to 311.701 for their
39 homesteads for property tax years beginning on or after July 1, 2014; and

40 “(c) That reactivating the homestead for deferral pursuant to this section requires the individ-
41 uals to file a claim for deferral in the manner prescribed in ORS 311.672.

42 “(3) The department shall create and maintain a list of homesteads determined to be eligible
43 under this section for reactivation for deferral under ORS 311.666 to 311.701. Homesteads shall ap-
44 pear on the list in the order in which the individuals who own the homesteads file a claim for
45 deferral in the manner prescribed in ORS 311.672 on or after [the effective date of this 2013 Act]

1 **October 7, 2013.**

2 “(4) A determination of eligibility under this section has the effect of reactivating the homestead
3 for deferral under ORS 311.666 to 311.701 beginning with the first property tax year that begins after
4 the date on which the determination of eligibility is made and continuing for all subsequent property
5 tax years for which the homestead and the individuals who own the homestead remain eligible for
6 the deferral.

7 “(5)(a) Notwithstanding subsection (4) of this section, for the property tax year beginning on
8 July 1, 2014, the maximum number of homesteads appearing on the list created pursuant to sub-
9 section (3) of this section that may be reactivated for deferral under this section is 700.

10 “(b) For the property tax year that begins on July 1, 2015, the cumulative maximum number of
11 homesteads appearing on the list that may be reactivated for deferral shall increase by five percent
12 of the maximum number allowable for the property tax year beginning on July 1, 2014, for a cumu-
13 lative maximum total of 735.

14 “(c) For each property tax year beginning on or after July 1, 2016, the cumulative maximum
15 number of homesteads appearing on the list that may be reactivated for deferral shall increase by
16 five percent of the maximum number allowable for the immediately preceding property tax year, in
17 the manner prescribed in paragraph (b) of this subsection.

18 “(6) ORS 311.670 [(2)(a)] **(6)(a)** applies to a homestead reactivated for deferral under this section
19 if, as of April 15 of the year in which a claim for deferral is filed, the taxpayers have continuously
20 owned and lived in the homestead less than seven years.

21 “**SECTION 11. The amendments to ORS 311.356, 311.670, 311.672, 311.675, 311.679, 311.683,**
22 **311.688, 311.689 and 311.695 and section 1, chapter 494, Oregon Laws 2013, by sections 1 to 10**
23 **of this 2015 Act apply to property tax years beginning on or after July 1, 2016.**

24 “**SECTION 12. This 2015 Act takes effect on the 91st day after the date on which the 2015**
25 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**”.

26