

House Bill 2105

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Creates and adjusts sunset dates for certain exemptions from property taxation.
Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to exemptions from property taxation; creating new provisions; amending ORS 285C.255,
3 285C.406, 307.060, 307.095, 307.110, 307.162, 307.637, 307.651, 307.681, 308.236, 308.256 and 508.270
4 and section 4, chapter 405, Oregon Laws 1981, section 6, chapter 660, Oregon Laws 1985, section
5 7, chapter 637, Oregon Laws 2005, and section 4, chapter 656, Oregon Laws 2011; and prescrib-
6 ing an effective date.

7 **Be It Enacted by the People of the State of Oregon:**

ADJUSTMENTS BEFORE 2020

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9
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11 **SECTION 1.** ORS 285C.255 is amended to read:

12 285C.255. (1) Notwithstanding any other provision of ORS 285C.050 to 285C.250:

13 (a) An area may not be designated as an enterprise zone after June 30, [2025] **2018**;

14 (b) A business firm may not obtain authorization under ORS 285C.140 after June 30, [2025]
15 **2018**; and

16 (c) An enterprise zone, except for a reservation enterprise zone or a reservation partnership
17 zone, that is in existence on June 29, [2025] **2018**, is terminated on June 30, [2025] **2018**.

18 (2) Notwithstanding subsection (1) of this section:

19 (a) A reservation enterprise zone may be designated, and a reservation partnership zone may
20 be cosponsored, under ORS 285C.306 after June 30, [2025] **2018**; and

21 (b) A business firm may obtain authorization under ORS 285C.140 after June 30, [2025] **2018**:

22 (A) If located in a reservation enterprise zone or a reservation partnership zone; or

23 (B) As allowed under ORS 285C.245 (1)(b).

24 **SECTION 2.** ORS 285C.406 is amended to read:

25 285C.406. In order for a taxpayer to claim the property tax exemption under ORS 285C.409 or
26 a corporate excise or income tax credit under ORS 317.124:

27 (1) The written agreement between the business firm and the rural enterprise zone sponsor that
28 is required under ORS 285C.403 (3)(c) must be entered into prior to the termination of the enterprise
29 zone under ORS 285C.245; and

30 (2)(a) For the purpose of the property tax exemption, the business firm must obtain certification
31 under ORS 285C.403 on or before June 30, [2025] **2018**; or

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 (b) For the purpose of the corporate excise or income tax credit, the business firm must obtain
 2 certification under ORS 285C.403 on or before June 30, 2018.

3 **SECTION 3.** ORS 307.060 is amended to read:

4 307.060. Real and personal property of the United States or any department or agency of the
 5 United States held by any person under a lease or other interest or estate less than a fee simple,
 6 other than under a contract of sale, shall have a real market value determined under ORS 308.232,
 7 subject only to deduction for restricted use. The property shall have an assessed value determined
 8 under ORS 308.146 and shall be subject to tax on the assessed value so determined. The lien for the
 9 tax shall attach to and be enforced against only the leasehold, interest or estate in the real or
 10 personal property. [*This section does not apply to real property held or occupied primarily for agri-*
 11 *cultural purposes under the authority of a federal wildlife conservation agency or held or occupied*
 12 *primarily for purposes of grazing livestock.*] This section does not apply to real or personal property
 13 held by this state or any county, municipal corporation or political subdivision of this state that is:

14 (1) In immediate use and occupation by the political body; or

15 (2) Required, by the terms of the lease or agreement, to be maintained and made available to
 16 the federal government as a military installation and facility.

17 **SECTION 4. The amendments to ORS 307.060 by section 3 of this 2015 Act apply to**
 18 **property tax years beginning on or after July 1, 2018.**

19 **SECTION 5.** ORS 307.110 is amended to read:

20 307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or
 21 any institution or department thereof or of any county or city, town or other municipal corporation
 22 or political subdivision of this state, held under a lease or other interest or estate less than a fee
 23 simple, by any person whose real property, if any, is taxable, except employees of the state,
 24 municipality or political subdivision as an incident to such employment, shall be subject to assess-
 25 ment and taxation for the assessed or specially assessed value thereof uniformly with real property
 26 of nonexempt ownerships.

27 (2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and
 28 taxation under this section which is located on property used as an airport and owned by and
 29 serving a municipality or port shall be separately assessed and taxed.

30 (3) Nothing contained in this section shall be construed as subjecting to assessment and taxation
 31 any publicly owned property described in subsection (1) of this section that is:

32 [(a) *Leased for student housing by a school or college to students attending such a school or col-*
 33 *lege.*]

34 [(b) *Leased to or rented by persons, other than sublessees or subrenters, for agricultural or grazing*
 35 *purposes and for other than a cash rental or a percentage of the crop.*]

36 [(c)] (a) Utilized by persons under a land use permit issued by the Department of Transportation
 37 for which the department's use restrictions are such that only an administrative processing fee is
 38 able to be charged.

39 [(d) *County fairgrounds and the buildings thereon, in a county holding annual county fairs, man-*
 40 *aged by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for any*
 41 *of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational vehicles*
 42 *or farm machinery or equipment.*]

43 [(e) *The properties and grounds managed and operated by the State Fair Council under ORS*
 44 *chapter 565, if utilized, in addition to the purpose of holding the Oregon State Fair, for horse stalls*
 45 *or for storage for recreational vehicles or farm machinery or equipment.*]

1 *[(f)]* **(b)** State property that is used by a public university listed in ORS 352.002 or the Oregon
 2 Health and Science University to provide parking for employees, students or visitors.

3 *[(g)]* **(c)** Property of a housing authority created under ORS chapter 456 which is leased or
 4 rented to persons of lower income for housing pursuant to the public and governmental purposes
 5 of the housing authority. For purposes of this paragraph, “persons of lower income” has the meaning
 6 given that term in ORS 456.055.

7 *[(h)]* **(d)** Property of any county or city, town or other municipal corporation or political subdi-
 8 vision of this state that is used for affordable housing or is leased or rented to persons of lower
 9 income for housing pursuant to the public and governmental purposes of the county or city, town
 10 or other municipal corporation or political subdivision of this state. For purposes of this paragraph,
 11 “affordable housing” and “persons of lower income” have the meanings given those terms in ORS
 12 456.055. The exemption under this paragraph shall be granted upon compliance with ORS 307.162.

13 *[(i) Property of a health district if:]*

14 *[(A) The property is leased or rented for the purpose of providing facilities for health care practi-*
 15 *tioners practicing within the county; and]*

16 *[(B) The county is a frontier rural practice county under rules adopted by the Office of Rural*
 17 *Health.]*

18 *[(j)]* **(e)** Property of a port if:

19 (A) The port:

20 (i) Is organized under ORS chapter 777; and

21 (ii) Has a board of commissioners appointed by the Governor; and

22 (B) The property is:

23 (i) Located in a county with a population of less than 450,000; and

24 (ii) Used or held for future use by a person other than the port pursuant to an agreement that
 25 obligates the person to provide common carrier rail freight service to shippers.

26 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to
 27 285C.639 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371
 28 and that is leased by this state, any institution or department thereof or any county, city, town or
 29 other municipal corporation or political subdivision of this state to an eligible applicant shall be
 30 assessed and taxed in accordance with ORS 307.123. The property’s continued eligibility for taxation
 31 and assessment under ORS 307.123 is not affected:

32 (a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

33 (b) If any applicable lease or financial agreement is terminated prior to the original date of ex-
 34 piration.

35 (5) The provisions of law for liens and the payment and collection of taxes levied against real
 36 property of nonexempt ownerships shall apply to all real property subject to the provisions of this
 37 section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than
 38 a fee simple, shall remain a lien against the real or personal property.

39 (6) If the state enters into a lease of property with, or grants an interest or other estate less
 40 than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days
 41 after the date of the lease, or within 30 days after the date the interest or estate less than a fee
 42 simple is created, the state shall file a copy of the lease or other instrument creating or evidencing
 43 the interest or estate with the county assessor. This section applies notwithstanding that the prop-
 44 erty may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise
 45 provided by law.

1 **SECTION 6.** ORS 307.110, as amended by section 4, chapter 287, Oregon Laws 2013, is amended
2 to read:

3 307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or
4 any institution or department thereof or of any county or city, town or other municipal corporation
5 or political subdivision of this state, held under a lease or other interest or estate less than a fee
6 simple, by any person whose real property, if any, is taxable, except employees of the state,
7 municipality or political subdivision as an incident to such employment, shall be subject to assess-
8 ment and taxation for the assessed or specially assessed value thereof uniformly with real property
9 of nonexempt ownerships.

10 (2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and
11 taxation under this section which is located on property used as an airport and owned by and
12 serving a municipality or port shall be separately assessed and taxed.

13 (3) Nothing contained in this section shall be construed as subjecting to assessment and taxation
14 any publicly owned property described in subsection (1) of this section that is:

15 [(a) *Leased for student housing by a school or college to students attending such a school or col-
16 lege.*]

17 [(b) *Leased to or rented by persons, other than sublessees or subrenters, for agricultural or grazing
18 purposes and for other than a cash rental or a percentage of the crop.*]

19 [(c)] (a) Utilized by persons under a land use permit issued by the Department of Transportation
20 for which the department’s use restrictions are such that only an administrative processing fee is
21 able to be charged.

22 [(d) *County fairgrounds and the buildings thereon, in a county holding annual county fairs, man-
23 aged by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for any
24 of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational vehicles
25 or farm machinery or equipment.*]

26 [(e) *The properties and grounds managed and operated by the State Fair Council under ORS
27 chapter 565, if utilized, in addition to the purpose of holding the Oregon State Fair, for horse stalls
28 or for storage for recreational vehicles or farm machinery or equipment.*]

29 [(f)] (b) State property that is used by a public university listed in ORS 352.002 or the Oregon
30 Health and Science University to provide parking for employees, students or visitors.

31 [(g)] (c) Property of a housing authority created under ORS chapter 456 which is leased or
32 rented to persons of lower income for housing pursuant to the public and governmental purposes
33 of the housing authority. For purposes of this paragraph, “persons of lower income” has the meaning
34 given that term in ORS 456.055.

35 [(h)] (d) Property of any county or city, town or other municipal corporation or political subdi-
36 vision of this state that is used for affordable housing or is leased or rented to persons of lower
37 income for housing pursuant to the public and governmental purposes of the county or city, town
38 or other municipal corporation or political subdivision of this state. For purposes of this paragraph,
39 “affordable housing” and “persons of lower income” have the meanings given those terms in ORS
40 456.055. The exemption under this paragraph shall be granted upon compliance with ORS 307.162.

41 [(i) *Property of a health district if:*]

42 [(A) *The property is leased or rented for the purpose of providing facilities for health care practi-
43 tioners practicing within the county; and*]

44 [(B) *The county is a frontier rural practice county under rules adopted by the Office of Rural
45 Health.*]

1 (4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to
 2 285C.639 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371
 3 and that is leased by this state, any institution or department thereof or any county, city, town or
 4 other municipal corporation or political subdivision of this state to an eligible applicant shall be
 5 assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation
 6 and assessment under ORS 307.123 is not affected:

7 (a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

8 (b) If any applicable lease or financial agreement is terminated prior to the original date of ex-
 9 piration.

10 (5) The provisions of law for liens and the payment and collection of taxes levied against real
 11 property of nonexempt ownerships shall apply to all real property subject to the provisions of this
 12 section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than
 13 a fee simple, shall remain a lien against the real or personal property.

14 (6) If the state enters into a lease of property with, or grants an interest or other estate less
 15 than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days
 16 after the date of the lease, or within 30 days after the date the interest or estate less than a fee
 17 simple is created, the state shall file a copy of the lease or other instrument creating or evidencing
 18 the interest or estate with the county assessor. This section applies notwithstanding that the prop-
 19 erty may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise
 20 provided by law.

21 **SECTION 7.** ORS 307.162 is amended to read:

22 307.162. (1)(a) Before any real or personal property may be exempted from taxation under ORS
 23 307.092, 307.110 [(3)(h)] **(3)(d)**, 307.115, 307.118, 307.130 to 307.140, 307.145, 307.147, 307.150, 307.160,
 24 307.181 (3) or 307.580 for any tax year, the institution or organization entitled to claim the ex-
 25 emption must file a claim with the county assessor, on or before April 1 preceding the tax year for
 26 which the exemption is claimed. The claim must contain statements, verified by the oath or affir-
 27 mation of the president or other proper officer of the institution or organization, that:

28 (A) List all real property claimed to be exempt and show the purpose for which the real property
 29 is used; and

30 (B) Cite the statutes under which exemption for personal property is claimed.

31 (b) If the ownership of all property, other than property described in ORS 307.110 [(3)(h)]
 32 **(3)(d)**, included in the claim filed with the county assessor for a prior year remains unchanged, a
 33 new claim is not required.

34 (c) When the property designated in the claim for exemption is acquired after March 1 and be-
 35 fore July 1, the claim for that year must be filed within 30 days from the date of acquisition of the
 36 property.

37 (2)(a) Notwithstanding subsection (1) of this section, a claim may be filed under this section for
 38 the current tax year:

39 (A) On or before December 31 of the tax year, if the claim is accompanied by a late filing fee
 40 of the greater of \$200, or one-tenth of one percent of the real market value as of the most recent
 41 assessment date of the property to which the claim pertains.

42 (B) On or before April 1 of the tax year, if the claim is accompanied by a late filing fee of \$200
 43 and the claimant demonstrates good and sufficient cause for failing to file a timely claim, is a
 44 first-time filer or is a public entity described in ORS 307.090.

45 (b)(A) Notwithstanding subsection (1) of this section, a claimant that demonstrates good and

1 sufficient cause for failing to file a timely claim, is a first-time filer or is a public entity described
 2 in ORS 307.090 may file a claim under this section for the five tax years prior to the current tax
 3 year:

4 (i) Within 60 days after the date on which the county assessor mails notice of additional taxes
 5 owing under ORS 311.206 for the property to which the claim filed under this subparagraph pertains;
 6 or

7 (ii) At any time if no notice is mailed.

8 (B) A claim filed under this paragraph must be accompanied by a late filing fee of the greater
 9 of \$200, or one-tenth of one percent of the real market value as of the most recent assessment date
 10 of the property to which the claim pertains, multiplied by the number of prior tax years for which
 11 exemption is claimed.

12 (c) If a claim filed under this subsection is not accompanied by the late filing fee or if the late
 13 filing fee is not otherwise paid, an exemption may not be allowed for the tax years sought by the
 14 claim. A claim may be filed under this subsection notwithstanding that there are no grounds for
 15 hardship as required for late filing under ORS 307.475.

16 (d) The value of the property used to determine the late filing fee under this subsection and the
 17 determination of the county assessor relative to a claim of good and sufficient cause are appealable
 18 in the same manner as other acts of the county assessor.

19 (e) A late filing fee collected under this subsection must be deposited in the county general fund.

20 (3)(a) In a claim for exemption of property described in ORS 307.110 [(3)(h)] **(3)(d)**, the county
 21 or city, town or other municipal corporation or political subdivision of this state that is filing the
 22 claim must substantiate that the property is used for affordable housing or that it is leased or rented
 23 to persons of lower income, as applicable.

24 (b) A claim filed under this subsection must be filed annually on a form prescribed by the De-
 25 partment of Revenue.

26 (4) As used in this section:

27 (a) “First-time filer” means a claimant that:

28 (A) Has never filed a claim for the property that is the subject of the current claim; and

29 (B) Did not receive notice from the county assessor on or before December 1 of the tax year for
 30 which exemption is claimed regarding the potential property tax liability of the property.

31 (b)(A) “Good and sufficient cause” means an extraordinary circumstance beyond the control of
 32 the taxpayer or the taxpayer’s agent or representative that causes the failure to file a timely claim.

33 (B) “Good and sufficient cause” does not include hardship, reliance on misleading information
 34 unless the information is provided by an authorized tax official in the course of the official’s duties,
 35 lack of knowledge, oversight or inadvertence.

36 (c) “Ownership” means legal and equitable title.

37 (5)(a) Notwithstanding subsection (1) of this section, if an institution or organization owns
 38 property that is exempt from taxation under a provision of law listed in subsection (1) of this section
 39 and fails to file a timely claim for exemption under subsection (1) of this section for additions or
 40 improvements to the exempt property, the additions or improvements may nevertheless qualify for
 41 exemption.

42 (b) The organization must file a claim for exemption with the county assessor to have the addi-
 43 tions or improvements to the exempt property be exempt from taxation. The claim must:

44 (A) Describe the additions or improvements to the exempt property;

45 (B) Describe the current use of the property that is the subject of the application;

1 (C) Identify the tax year and any preceding tax years for which the exemption is sought;

2 (D) Contain any other information required by the department; and

3 (E) Be accompanied by a late filing fee equal to the product of the number of tax years for
4 which exemption is sought multiplied by the greater of \$200 or one-tenth of one percent of the real
5 market value as of the most recent assessment date of the property that is the subject of the claim.

6 (c) Upon the county assessor's receipt of a completed claim and late filing fee, the assessor shall
7 determine for each tax year for which exemption is sought whether the additions or improvements
8 that are the subject of the claim would have qualified for exemption had a timely claim been filed
9 under subsection (1) of this section. Any property that would have qualified for exemption had a
10 timely claim been filed under subsection (1) of this section is exempt from taxation for each tax year
11 for which the property would have qualified.

12 (d) A claim for exemption under this subsection may be filed only for tax years for which the
13 time for filing a claim under subsections (1) and (2)(a) of this section has expired. A claim filed under
14 this subsection, however, may serve as the claim required under subsection (1) of this section for
15 the current tax year.

16 (e) A late filing fee collected under this subsection must be deposited in the county general fund.

17 (6) For each tax year for which an exemption granted pursuant to subsection (2) or (5) of this
18 section applies:

19 (a) Any tax, or interest attributable thereto, that was paid with respect to the property that is
20 declared exempt from taxation must be refunded. Refunds must be made without interest from the
21 unsegregated tax collections account established under ORS 311.385.

22 (b) Any tax, or interest attributable thereto, that remains unpaid as of the date the exemption
23 is granted must be abated.

24 (7) If an institution or organization owns property that is exempt from taxation under a pro-
25 vision of law listed in subsection (1) of this section and changes the use of the property to a use that
26 would not entitle the property to exemption from taxation, the institution or organization must no-
27 tify the county assessor of the change to a taxable use within 30 days.

28 **SECTION 8. The amendments to ORS 307.110 and 307.162 by sections 5, 6 and 7 of this**
29 **2015 Act apply to property tax years beginning on or after July 1, 2018.**

30 **SECTION 9.** Section 4, chapter 656, Oregon Laws 2011, as amended by section 28, chapter 193,
31 Oregon Laws 2013, is amended to read:

32 **Sec. 4.** (1) The amendments to ORS 307.175 by section 3, chapter 656, Oregon Laws 2011, apply
33 to tax years beginning on or after July 1, 2011.

34 (2) An exemption under ORS 307.175 may not be allowed for tax years beginning after July 1,
35 [2017] 2018.

36 **SECTION 10.** ORS 308.236 is amended to read:

37 308.236. (1) The availability, usefulness and cost of using roads, including all roads of the owner
38 of land or timber and all roads that the owner has the right to use, shall be taken into consideration
39 in determining the real market value of land.

40 [(2) *Farm or grazing land roads and forest roads themselves, except principal exterior timber ac-*
41 *cess roads, shall not be appraised, valued or assessed and they shall not be classed as improvements*
42 *under ORS 308.215. The underlying land upon which roads are constructed shall be assessed if it is*
43 *otherwise subject to assessment.*]

44 [(3)] (2) As used in this section,[:]

45 [(a)] "road" includes fills, ballast, bridges, culverts, drains, surfacing and other appurtenances

1 of a like kind commonly associated with roads but excludes railroads.

2 [(b) "*Principal exterior timber access roads*" means those portions of high standard main-line pri-
3 vate roads that provide access from a conversion center or public way to the exterior boundary of the
4 principal forest area served by the road. A high standard main-line private road is a permanent road
5 of two lanes or more that is paved or macadamized or that has a fine-gravel surface that is permanently
6 and continuously maintained.]

7 **SECTION 11. The amendments to ORS 308.236 by section 10 of this 2015 Act apply to tax**
8 **years beginning on or after July 1, 2018.**

9 **SECTION 12.** ORS 308.256 is amended to read:

10 308.256. (1) Watercraft of water transportation companies shall be assessed as provided in ORS
11 308.505 to 308.665.

12 (2) Watercraft described in ORS 308.260 shall be assessed as provided in ORS 308.260.

13 [(3) *The following watercraft shall be exempt from taxation:*]

14 [(a) *Watercraft not owned or operated by water transportation companies, as described in ORS*
15 *308.515, and that are customarily engaged in the transportation of persons or property for hire wholly*
16 *outside the boundaries of this state.*]

17 [(b) *Watercraft owned or operated by water transportation companies, as described in ORS 308.515,*
18 *and not assessed by the Department of Revenue, that are customarily engaged in the transportation of*
19 *persons or property for hire wholly or in part outside the boundaries of this state. The exemption under*
20 *this paragraph does not apply to watercraft that engage in the transportation for hire of persons on*
21 *offshore trips that originate and terminate at the same port, and that have a valid marine document*
22 *issued by the United States Coast Guard or any other federal agency that succeeds the United States*
23 *Coast Guard in the duty of issuing marine documents.*]

24 [(c) *The assessed value of the property of a water transportation company, as described in ORS*
25 *308.515, that is not subject to assessment by the Department of Revenue under the provisions of ORS*
26 *308.550 (3).*]

27 [(4)(a)] **(3)(a)** Watercraft over 16 feet in length in the process of original construction, or
28 undergoing major remodeling, renovation, conversion, reconversion or repairs on January 1 are ex-
29 empt from taxation. For the purposes of this subsection, the term "major" shall include all remod-
30 eling, renovation, conversion, reconversion or repairs to a watercraft in which the expenditures for
31 parts, materials, labor and accessorial services exceed 10 percent of the market value of the
32 watercraft immediately prior to the remodeling, renovation, conversion, reconversion or repairs.

33 (b) Watercraft subject to assessment by the Department of Revenue under ORS 308.505 to
34 308.665 are exempt under paragraph (a) of this subsection only if on or before the due date for filing
35 the statement described in ORS 308.520 for the year for which exemption is claimed, the owner or
36 operator files with the department sufficient documentary evidence that the property qualifies for
37 the exemption.

38 (c) The owner or operator of watercraft subject to local assessment shall file the documentary
39 evidence required under paragraph (b) of this subsection with the county assessor on or before April
40 1 of the year for which exemption is claimed.

41 [(5)] **(4)** All other watercraft not otherwise specifically exempt from taxation nor licensed in lieu
42 thereof shall be assessed in the county in which they are customarily moored when not in service
43 or if there is no customary place of moorage in the county in which their owner or owners reside
44 or, if neither situs applies, then in the county in which any one of the owners maintains a place of
45 business.

1 [(6)] (5) Watercraft described in subsection [(5)] (4) of this section shall be assessed at assessed
 2 value, except as follows:

3 (a) Ships and vessels whose home ports are in the State of Oregon and that ply the high seas
 4 or between the high seas and inland water ports or terminals shall be assessed at four percent of
 5 the assessed value thereof.

6 (b) Vessels that are self-propelled, offshore oil drilling rigs whose home ports are in the State
 7 of Oregon shall be assessed at four percent of the assessed value thereof.

8 (c) All other ships and vessels whose home ports are in the State of Oregon shall be assessed
 9 at 40 percent of the assessed value thereof.

10 [(7) *The assessor shall cancel the assessment in whole or proportionate part on all parts and ma-*
 11 *terials in the inventory of shipyards and ship repair facilities as of January 1 of the assessment year,*
 12 *but only upon receipt prior to April 1 of the assessment year of sufficient documentary proof that prior*
 13 *to April 1 of the assessment year the parts or materials so assessed were physically attached to or in-*
 14 *corporated in watercraft undergoing major remodeling, renovation, conversion, reconversion or repairs*
 15 *as described in subsection (4) of this section, within the boundaries of this state.]*

16 **SECTION 13. The amendments to ORS 308.256 by section 12 of this 2015 Act apply to**
 17 **property tax years beginning on or after July 1, 2018.**

18 **SECTION 14.** ORS 508.270 is amended to read:

19 508.270. [(1)] Either the commercial fishing license required by ORS 508.235 or the boat license
 20 required by ORS 508.260 is in lieu of all [*taxes and*] licenses on crab pots used by a person so li-
 21 censed or used in connection with a boat so licensed.

22 [(2) *Crab pots shall be reported to the county assessor by each owner and listed for ad valorem*
 23 *taxation, but if the owner of such crab pots furnishes documentary proof to the assessor, not later than*
 24 *August 1 of each year, that the owner possesses a current commercial fishing license under ORS*
 25 *508.235 or that the boat of the owner is currently licensed under ORS 508.260, the assessor shall cancel*
 26 *any assessment made by the assessor of crab pots used by such person or used in connection with such*
 27 *person's licensed boat.]*

28 **SECTION 15. The amendments to ORS 508.270 by section 14 of this 2015 Act apply to**
 29 **property tax years beginning on or after July 1, 2018.**

30 **SECTION 16.** ORS 285C.350 to 285C.370 apply to property tax years beginning before July
 31 **1, 2018.**

32 **SECTION 17.** ORS 307.120 applies to property tax years beginning before July 1, 2018.

33 **SECTION 18.** ORS 307.123 applies to property tax years beginning before July 1, 2018.

34 **SECTION 19.** ORS 307.125 applies to property tax years beginning before July 1, 2018.

35 **SECTION 20.** ORS 307.126 applies to property tax years beginning before July 1, 2018.

36 **SECTION 21.** ORS 307.168 applies to property tax years beginning before July 1, 2018.

37 **SECTION 22.** ORS 307.315 applies to property tax years beginning before July 1, 2018.

38 **SECTION 23.** ORS 307.320 applies to property tax years beginning before July 1, 2018.

39 **SECTION 24.** ORS 307.325 applies to property tax years beginning before July 1, 2018.

40 **SECTION 25.** ORS 307.330 applies to property tax years beginning before July 1, 2018.

41 **SECTION 26.** ORS 307.390 applies to property tax years beginning before July 1, 2018.

42 **SECTION 27.** ORS 307.391 applies to property tax years beginning before July 1, 2018.

43 **SECTION 28.** ORS 307.394 applies to property tax years beginning before July 1, 2018.

44 **SECTION 29.** ORS 307.397 applies to property tax years beginning before July 1, 2018.

45 **SECTION 30.** ORS 307.398 applies to property tax years beginning before July 1, 2018.

SECTION 31. ORS 307.400 applies to property tax years beginning before July 1, 2018.

SECTION 32. ORS 307.405 applies to property tax years beginning before July 1, 2018.

SECTION 33. ORS 307.580 applies to property tax years beginning before July 1, 2018.

SECTION 34. ORS 307.827 applies to property tax years beginning before July 1, 2018.

SECTION 35. ORS 307.831 applies to property tax years beginning before July 1, 2018.

SECTION 36. ORS 308.115 applies to property tax years beginning before July 1, 2018.

SECTION 37. ORS 308.665 applies to property tax years beginning before July 1, 2018.

SECTION 38. ORS 308A.350 to 308A.383 apply to property tax years beginning before July 1, 2018.

SECTION 39. ORS 321.272 applies to property tax years beginning before July 1, 2018.

SECTION 40. ORS 321.829 applies to property tax years beginning before July 1, 2018.

SECTION 41. Section 7, chapter 637, Oregon Laws 2005, as amended by section 1, chapter 656, Oregon Laws 2011, and section 1, chapter 210, Oregon Laws 2013, is amended to read:

Sec. 7. Property may not qualify for a first year of exemption under ORS 307.455 for a tax year beginning on or after July 1, [2020] **2018**.

ADJUSTMENTS IN 2020

SECTION 42. ORS 307.637 is amended to read:

307.637. An exemption for multiple-unit housing may not be granted under ORS 307.600 to 307.637 unless:

(1) In the case of multiple-unit housing described in ORS 307.603 (5)(a), the application for exemption is made to the city or county on or before January 1, [2022] **2020**.

(2) In the case of multiple-unit housing described in ORS 307.603 (5)(b), the construction, addition or conversion is completed on or before January 1, [2022] **2020**.

SECTION 43. ORS 307.651 is amended to read:

307.651. As used in ORS 307.651 to 307.687, unless the context requires otherwise:

(1) "Governing body" means the city legislative body having jurisdiction over the property for which an exemption may be applied for under ORS 307.651 to 307.687.

(2) "Qualified dwelling unit" means a dwelling unit that, upon completion, has a market value (land and improvements) of no more than 120 percent, or a lesser percentage as adopted by the governing body by resolution, of the median sales price of dwelling units located within the city.

(3) "Single-unit housing" means a newly constructed structure having one or more dwelling units that:

(a) Is, or will be, at the time that construction is completed, in conformance with all local plans and planning regulations, including special or district-wide plans developed and adopted pursuant to ORS chapters 195, 196, 197 and 227.

(b) Is constructed on or after January 1, 1990, and is completed within two years after application for exemption is approved under ORS 307.674 or before January 1, [2025] **2020**, whichever is earlier.

(c) Upon completion, is designed for each dwelling unit within the structure to be purchased by and lived in by one person or one family.

(d) Upon completion, has one or more qualified dwelling units within the single-unit housing.

(e) Is not a floating home, as defined in ORS 830.700, or a manufactured structure, as defined in ORS 446.561, other than a manufactured home described in ORS 197.307 (8)(a) to (f).

(4) “Structure” does not include the land or any site development to the land, as those terms are defined in ORS 307.010.

SECTION 44. ORS 307.681 is amended to read:

307.681. (1) Except as provided in ORS 307.684, if, after an application has been approved under ORS 307.674, the city finds that construction of single-unit housing was not completed within two years after the date the application was approved or on or before January 1, [2025] **2020**, whichever is earlier, or that any provision of ORS 307.651 to 307.687 is not being complied with, or any provision required by the city pursuant to ORS 307.651 to 307.687 is not being complied with, the city shall give notice to the owner, mailed to the owner’s last-known address, of the proposed termination of the exemption. The notice shall state the reasons for the proposed termination and shall require the owner to appear at a specified time, not less than 20 days after mailing the notice, to show cause, if any, why the exemption should not be terminated.

(2) If the owner fails to show cause why the exemption should not be terminated, the city shall adopt an ordinance or resolution stating its findings and terminating the exemption. A copy of the ordinance or resolution shall be filed with the county assessor and a copy sent to the owner at the owner’s last-known address within 10 days after its adoption.

SECTION 45. ORS 307.183 applies to property tax years beginning before July 1, 2020.

SECTION 46. ORS 307.184 applies to property tax years beginning before July 1, 2020.

SECTION 47. ORS 307.195 applies to property tax years beginning before July 1, 2020.

SECTION 48. ORS 307.242 applies to property tax years beginning before July 1, 2020.

SECTION 49. ORS 307.250, 307.260, 307.262, 307.270, 307.280 and 307.283 apply to property tax years beginning before July 1, 2020.

SECTION 50. ORS 307.286 and 307.289 apply to property tax years beginning before July 1, 2020.

SECTION 51. ORS 307.370, 307.375, 307.380 and 307.385 apply to property tax years beginning before July 1, 2020.

SECTION 52. ORS 307.485, 307.490 and 307.495 apply to property tax years beginning before July 1, 2020.

SECTION 53. ORS 307.651 to 307.687 apply to property tax years beginning before July 1, 2020.

SECTION 54. Section 4, chapter 405, Oregon Laws 1981, as amended by section 1, chapter 169, Oregon Laws 1985, section 4, chapter 748, Oregon Laws 1995, section 4, chapter 67, Oregon Laws 2001, section 13, chapter 114, Oregon Laws 2001, section 8, chapter 509, Oregon Laws 2001, and section 2, chapter 343, Oregon Laws 2013, is amended to read:

Sec. 4. ORS 307.182 applies to tax years beginning on or after July 1, 1981, and before July 1, [2024] **2020**.

SECTION 55. Section 6, chapter 660, Oregon Laws 1985, as amended by section 1, chapter 108, Oregon Laws 1993, section 1, chapter 215, Oregon Laws 2003, and section 1, chapter 191, Oregon Laws 2011, is amended to read:

Sec. 6. ORS 307.540 to 307.548 apply to tax years beginning on or after January 1, 1985, and before July 1, [2027] **2020**.

ADJUSTMENTS IN 2022

SECTION 56. ORS 307.095 is amended to read:

1 307.095. (1) Any portion of state property that is used during the tax year for parking on a
 2 rental or fee basis to private individuals is subject to ad valorem taxation.

3 (2) The real market value of such portion shall be computed by determining that percentage
 4 which the total of receipts from private use bears to the total of receipts from all use of the prop-
 5 erty. The assessed value of such portion shall be computed as provided in ORS 308.146. However,
 6 receipts from any use by a state officer or employee in the performance of the official duties of the
 7 state officer or employee shall not be considered as receipts from private use in computing the
 8 portion subject to ad valorem taxation.

9 *[(3) This section and ORS 276.592 do not apply to state property that is used by a public university*
 10 *listed in ORS 352.002 or the Oregon Health and Science University solely to provide parking for em-*
 11 *ployees, students or visitors.]*

12 **SECTION 57. The amendments to ORS 307.095 by section 56 of this 2015 Act apply to**
 13 **property tax years beginning on or after July 1, 2022.**

14 **SECTION 58. ORS 307.107 applies to property tax years beginning before July 1, 2022.**

15 **SECTION 59. ORS 307.112 applies to property tax years beginning before July 1, 2022.**

16 **SECTION 60. ORS 307.115 applies to property tax years beginning before July 1, 2022.**

17 **SECTION 61. ORS 307.118 applies to property tax years beginning before July 1, 2022.**

18 **SECTION 62. ORS 307.130 applies to property tax years beginning before July 1, 2022.**

19 **SECTION 63. ORS 307.136 applies to property tax years beginning before July 1, 2022.**

20 **SECTION 64. ORS 307.140 applies to property tax years beginning before July 1, 2022.**

21 **SECTION 65. ORS 307.145 applies to property tax years beginning before July 1, 2022.**

22 **SECTION 66. ORS 307.147 applies to property tax years beginning before July 1, 2022.**

23 **SECTION 67. ORS 307.150 applies to property tax years beginning before July 1, 2022.**

24 **SECTION 68. ORS 307.171 applies to property tax years beginning before July 1, 2022.**

25 **SECTION 69. ORS 307.210 applies to property tax years beginning before July 1, 2022.**

26 **SECTION 70. ORS 307.402 applies to property tax years beginning before July 1, 2022.**

27 **SECTION 71. ORS 307.471 applies to property tax years beginning before July 1, 2022.**

28 **SECTION 72. ORS 307.804 and 307.806 apply to property tax years beginning before July**
 29 **1, 2022.**

30 **SECTION 73. ORS 307.808, 307.811 and 307.815 apply to property tax years beginning be-**
 31 **fore July 1, 2022.**

32
 33 **UNIT CAPTIONS**

34
 35 **SECTION 74. The unit captions used in this 2015 Act are provided only for the conven-**
 36 **ience of the reader and do not become part of the statutory law of this state or express any**
 37 **legislative intent in the enactment of this 2015 Act.**

38
 39 **EFFECTIVE DATE OF ACT**

40
 41 **SECTION 75. This 2015 Act takes effect on the 91st day after the date on which the**
 42 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**