

**PROPOSED AMENDMENTS TO
A-ENGROSSED SENATE BILL 865**

1 In line 2 of the printed A-engrossed bill, after the semicolon insert “cre-
2 ating new provisions; amending ORS 307.130;”.

3 After line 23, insert:

4 **“SECTION 2.** ORS 307.130, as amended by section 16, chapter 52, Oregon
5 Laws 2014, is amended to read:

6 “307.130. (1) As used in this section:

7 “(a) ‘Art museum’ means a nonprofit corporation organized to display
8 works of art to the public.

9 **“(b) ‘History museum or science museum’ means a nonprofit cor-
10 poration organized to display historical or scientific exhibits, or both,
11 to the public.**

12 “[*(b)*] (c) ‘Nonprofit corporation’ means a corporation that:

13 “(A) Is organized not for profit, pursuant to ORS chapter 65 or any
14 predecessor of ORS chapter 65; or

15 “(B) Is organized and operated as described under section 501(c) of the
16 Internal Revenue Code as defined in section 15, chapter 52, Oregon Laws
17 2014.

18 “[*(c)*] (d) ‘Volunteer fire department’ means a nonprofit corporation or-
19 ganized to provide fire protection services in a specific response area.

20 “(2) Upon compliance with ORS 307.162, the following property owned or
21 being purchased by art museums, volunteer fire departments, or incorporated
22 literary, benevolent, charitable and scientific institutions shall be exempt

1 from taxation:

2 “(a) Except as provided in ORS 748.414, only such real or personal prop-
3 erty, or proportion thereof, as is actually and exclusively occupied or used
4 in the literary, benevolent, charitable or scientific work carried on by such
5 institutions.

6 “(b) Parking lots used for parking or any other use as long as that park-
7 ing or other use is permitted without charge for no fewer than 355 days
8 during the tax year.

9 “(c) All real or personal property of a rehabilitation facility or any retail
10 outlet thereof, including inventory. As used in this subsection, ‘rehabilitation
11 facility’ means either those facilities defined in ORS 344.710 or facilities
12 which provide individuals who have physical, mental or emotional disabili-
13 ties with occupational rehabilitation activities of an educational or
14 therapeutic nature, even if remuneration is received by the individual.

15 “(d) All real and personal property of a retail store dealing exclusively
16 in donated inventory, where the inventory is distributed without cost as part
17 of a welfare program or where the proceeds of the sale of any inventory sold
18 to the general public are used to support a welfare program. As used in this
19 subsection, ‘welfare program’ means the providing of food, shelter, clothing
20 or health care, including dental service, to needy persons without charge.

21 “(e) All real and personal property of a retail store if:

22 “(A) The retail store deals primarily and on a regular basis in donated
23 and consigned inventory;

24 “(B) The individuals who operate the retail store are all individuals who
25 work as volunteers; and

26 “(C) The inventory is either distributed without charge as part of a wel-
27 fare program, or sold to the general public and the sales proceeds used ex-
28 clusively to support a welfare program. As used in this paragraph,
29 ‘primarily’ means at least one-half of the inventory.

30 “(f) The real and personal property of an art museum that is used in

1 conjunction with the public display of works of art or used to educate the
2 public about art, but not including any portion of the art museum’s real or
3 personal property that is used to sell, or hold out for sale, works of art, re-
4 productions of works of art or other items to be sold to the public.

5 “(g) All real and personal property of a volunteer fire department that is
6 used in conjunction with services and activities for providing fire protection
7 to all residents within a fire response area.

8 “(h) All real and personal property, including inventory, of a retail store
9 owned by a nonprofit corporation if:

10 “(A) The retail store deals exclusively in donated inventory; and

11 “(B) Proceeds of the retail store sales are used to support a not-for-profit
12 housing program whose purpose is to:

13 “(i) Acquire property and construct housing for resale to individuals at
14 or below the cost of acquisition and construction; and

15 “(ii) Provide loans bearing no interest to individuals purchasing housing
16 through the program.

17 **“(3) Upon compliance with ORS 307.162, real and personal property**
18 **owned or leased by a history museum or science museum shall be ex-**
19 **empt from property taxes imposed by the county in which the property**
20 **is located if at least 85 percent of the actual use or occupancy of the**
21 **property is for one or more of the following purposes:**

22 **“(a) For the public displays of the museum.**

23 **“(b) To sell or hold out for sale goods related to the educational**
24 **purpose or displays of the museum. Such property may include, but**
25 **is not limited to, museum stores.**

26 **“(c) To sell or hold out for sale on the museum premises goods and**
27 **services providing refreshment to the public. Such property may in-**
28 **clude, but is not limited to, cafes, kitchens and dining areas.**

29 **“(d) As a theater for presentations about history or science.**

30 **“(e) To provide access and parking for museum staff and volunteers**

1 or visitors, provided that such parking is made available without
2 charge for no fewer than 355 days of each property tax year.

3 “(f) For the preservation of open space, provided that no more than
4 65 percent of the museum land is such open space.

5 “[3] (4) An art museum, **history museum or science museum** or in-
6 stitution shall not be deprived of an exemption under this section solely be-
7 cause its primary source of funding is from one or more governmental
8 entities.

9 “[4] (5) An institution shall not be deprived of an exemption under this
10 section because its purpose or the use of its property is not limited to re-
11 lieving pain, alleviating disease or removing constraints.

12 **“SECTION 3. The amendments to ORS 307.130 by section 2 of this**
13 **2015 Act apply to property tax years beginning on or after July 1,**
14 **2014.”.**

15 In line 24, delete “2” and insert “4”.

16
