

CHAPTER 7

AN ACT

HB 4039

Relating to exemption from property taxation for low-income housing; and prescribing an effective date.

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

SECTION 1. (1) For purposes of ORS 307.130 (2)(a), real or personal property of a nonprofit corporation is actually and exclusively occupied or used in the benevolent or charitable work carried on by the nonprofit corporation, and is exempt from ad valorem property taxation, if, for the tax year beginning on July 1, 2012, the property was actually:

(a) Offered, occupied or used as low-income housing; and

(b) Granted exemption under ORS 307.130 (2)(a) by the county in which the property is located.

(2) The exemption provided under subsection (1) of this section continues until the end of the earliest tax year in which the property described in subsection (1) of this section:

(a) Is no longer actually offered, occupied or used as low-income housing;

(b) Changes ownership other than by sale or transfer to a nonprofit corporation under whose ownership the property continues to be offered, occupied or used as low-income housing; or

(c) Is leased in its entirety by the nonprofit corporation claiming the exemption, other than by leases for occupancy of individual units as low-income housing.

SECTION 2. (1) Section 1 of this 2014 Act applies to property tax years beginning on or after July 1, 2012.

(2) The exemption provided under section 1 of this 2014 Act may not be granted for tax years beginning on or after July 1, 2018.

SECTION 3. (1)(a) To receive a refund under this section, an application must be filed with the assessor of the county in which the property is located within 60 days after the effective date of this 2014 Act.

(b) An application filed under this section must:

(A) Contain information necessary to substantiate the claim for a refund.

(B) Be accompanied by a filing fee of \$200.

(2) For property tax years beginning on or after July 1, 2012, and before July 1, 2014:

(a) If property taxes on property granted exemption under section 1 of this 2014 Act have not been paid, the taxes and any interest on the taxes are abated.

(b) If property taxes on property granted exemption under section 1 of this 2014 Act have been paid, the tax collector of the county in which the property is located shall notify the governing body of the county of any refund required under section 1 of this 2014 Act.

(3)(a) Upon receipt of notice from the tax collector under subsection (2)(b) of this section, the governing body shall cause a refund of any amount of property taxes and interest on the property taxes that has been paid to be made from the refund reserve account, if the county has established a refund reserve account under ORS 311.807, or, if not, from the unsegregated tax collections account described in ORS 311.385.

(b) A refund under this subsection shall be made without interest.

(4) The Department of Revenue, the county assessor and the tax collector shall make the necessary corrections in the records of their offices.

SECTION 4. This 2014 Act takes effect on the 91st day after the date on which the 2014 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.

Approved by the Governor March 3, 2014

Filed in the office of Secretary of State March 3, 2014

Effective date June 6, 2014