



From the Desk of
Senator Brian Boquist



ShelterCare
Hope is here.

Catholic Community Services Foundation

A Forever Home for Everyone

HB 4081A

Please help preserve existing low-income housing properties and
vote yes on HB 4081A.

This important legislation:

- Extends the sunset from HB 4039 (2014) to 2022 to protect existing property tax exemptions for low-income housing that meets certain criteria and provides time for legislators and stakeholders to identify a long-term solution.
- Provides certainty to non-profit providers of low-income housing by ensuring stable, low cost for maintaining this housing.
- Does not change tax revenues for local jurisdictions because the bill maintains the current property tax exemptions.
- Impacts approximately 2,000 low-income housing units across the state.

Background

The sunset was originally set in HB 4039 (2014) to allow time for the Oregon Supreme Court to review an opinion of the Oregon Tax Court that severely limited the applicability of ORS 307.130 to low-income housing properties. Due to a settlement reached by the parties, the Supreme Court did not issue an opinion and the Tax Court withdrew its opinion. But because the judge who wrote the Tax Court opinion is still there, ORS 307.130 is no longer practically available to affordable housing properties and the existing previously-approved property tax exemptions for affordable housing properties remain in limbo. This uncertainty poses a significant financial risk to non-profit providers.

ORS 307.130 governs property tax exemptions for a wide variety of institutions including charitable and benevolent organizations. Because of concerns unrelated to affordable housing properties, a legislative workgroup has been formed to look at ORS 307.130 and plans to report to the 2017 legislature. With all of the stakeholders impacted by this statute, reaching a consensus on a statewide solution will take time. Affordable housing advocates plan on participating in this work group, but need to continue the status quo established by HB 4039 until the work group completes its complex task and a future legislature acts.

Non-profit providers depend on these property tax exemptions in order to continue operating existing low-income housing properties.