



POLK COUNTY

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DOUGLAS SCHMIDT
Assessor

March 21, 2017
House Committee on Finance and Revenue
SB 311

Chair Hass, members of the committee, my name is Douglas Schmidt and I am the Polk County Assessor testifying on behalf of the Oregon State Association of County Assessors (OSACA). At this time, OSACA is Neutral on SB 311.

Members of OSACA have been working with stakeholders to try and reach wording in the bill that will allow assessors to, as much as possible, efficiently and effectively administer this bill. For the most part, that has been successful. However, I have not seen any amendments to the bill to see if the changes are included. Even with the suggested amendments, there will still be additional tracking and calculations required, some of which will need to be done manually.

The intent of SB 311 is to reduce the property tax burden for taxpayers seismically retrofitting certain buildings and I know exemptions affect property taxes. A question I have is does the bill adequately address the tax savings. In Section 1. (4)(b)(B) it states "The date on which the dollar amount of the exemption or partial exemption equals the eligible costs for the property." Then in Section 3. (1) it states "An ordinance or resolution adopted under Section 1. of this 2017 Act must state the percentage of the exemption to be applied to the real market value of the eligible property."

Does this provide clarity that the amount of the eligible costs equates to the Real Market Value or the taxes? The wording above is the same wording in the Brownfield bill adopted in 2016.

In Section 2. (1)(b) it states a late application may be filed with the governing body up to December 31. At this point the assessor does not have any indication there could be a change in the taxable value of a property. If the assessor does not make a change to the value or character of a property by December 31, we can only change the value by an order of the Department of Revenue or the Oregon Tax Court. The wording in SB 311 is the same wording the Brownfield bill adopted in 2016.

Thank you, if you have any questions I will try and answer them.