

Overview of SB 181 -A9

Institutions that Must File to Receive Exemption under ORS 307.130

Incorporated literary, benevolent, charitable or scientific institutions.

Institutions not required to file information return

- Art museum
- History museum
- Science museum
- Rehabilitation facility
- Volunteer fire department
- Retail store

Information Return Contents A-Engrossed

Institutions are required to annually file information return with county assessor on or before April 1. Late filing provisions of ORS 307.162(2) prescribe circumstances in which information return may be filed after April 1 deadline.

Organization Reporting	Property Specific Reporting
Basis for organization's claim to have charity as its primary object.	Basis for claiming that property is exclusively used by organization in accomplishing charitable goals.
Manner in which organization performs in furtherance of its charitable object.	Ways in which property substantially contributes to furthering organization's charitable goals.
Ways in which organization's performance involves gift or giving and quantification of gift or giving as a percentage of organization's total expenses as reported on IRS form 990.	Number of days in previous property tax year that the property was used for purposes unrelated to organization's charitable objective.
Responses are limited to 100 words or less and may include quantifying statistics	

To receive exemption, institution must timely submit information return with all required statements and information return must be accompanied by timely filed applicable Form 990 and CT-12.

Clawback

Upon discovery by the county assessor that any information set forth in information return is misleading or false, in a way that materially affects the eligibility of the property for the exemption, requires assessor to contact the reporting institution and clearly identify the information the county assessor considers misleading or false. Requires reporting institution to respond to county assessor within 30 days by submitting revised information return or claim for exemption. Requires county assessor to determine whether the revised document has cured the identified defect. If reporting institution does not submit revised information return or revised return does not cure identified defect, then property is disqualified for exemption and subject to potential additional tax for up to five immediately preceding property tax years.

Initial Year Specifics

Requires county assessors to provide notice by 1/31/2018 of information return requirements to affected institutions that had exempt property in prior year. Provides late filing of information return prior to 12/31/2018 if late fee equal to greater of \$200 or one-tenth of one percent of RMV of property.

Other

- Changes apply beginning with 2018-19 property tax year

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- Requires Legislative Revenue Officer to conduct a study of submitted information returns and submit report to interim committees on revenue no later than September 15, 2019.
- Section 2 & 3 contain conforming and statutory consistency language