

Senate Bill 151

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Provides for exemption from ad valorem property taxation of first \$10,000 of real market value of homesteads. Requires Department of Revenue to index exemption amount annually.

Takes effect only if Senate Joint Resolution 3 (2017) is approved by people at regular general election held in November 2018. Takes effect on effective date of constitutional amendment proposed by Senate Joint Resolution 3 (2017).

A BILL FOR AN ACT

1
2 Relating to a homestead property tax exemption; and prescribing an effective date.

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

4 **SECTION 1. (1) As used in this section:**

5 (a) "Homestead" means:

6 (A) The owner-occupied principal dwelling, either real or personal property, owned by a
7 taxpayer and the tax lot upon which the dwelling is located.

8 (B) If the dwelling is located in a multiunit building, the portion of the building actually
9 used as the principal dwelling and the dwelling's percentage of the value of the building's
10 common elements and the tax lot upon which the building is situated. The percentage is the
11 value of the dwelling unit that is the homestead compared to the total value of the multiunit
12 building exclusive of any common elements.

13 (b) "U.S. City Average Consumer Price Index" means the U.S. City Average Consumer
14 Price Index for All Urban Consumers (All Items) as published by the Bureau of Labor Sta-
15 tistics of the United States Department of Labor.

16 (2) The first \$10,000 of real market value of each homestead shall be exempt from ad
17 valorem property taxes.

18 (3)(a) The Department of Revenue shall annually adjust the amount of the exemption
19 under subsection (2) of this section by multiplying \$10,000 by one plus the percentage, if any,
20 by which the monthly averaged U.S. City Average Consumer Price Index for the 12 consec-
21 utive months ending June 30 of the current calendar year exceeds the monthly averaged U.S.
22 City Average Consumer Price Index for the 12 consecutive months ending June 30, 2019.

23 (b) If any change in the amount of the exemption determined under paragraph (a) of this
24 subsection is not a multiple of \$500, the increase shall be rounded to the nearest multiple
25 of \$500.

26 (c) As soon as practicable after making the computation required under this subsection,
27 the department shall notify each county assessor of the adjusted exemption amount.

28 **SECTION 2. This 2017 Act does not take effect unless the amendment to the Oregon**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **Constitution proposed by Senate Joint Resolution 3 (2017) is approved by the people at the**
2 **regular general election held in November 2018. This 2017 Act takes effect on the effective**
3 **date of that amendment.**

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