

SB 1045A Property Tax Decrease for Home Sharing

Chair Nathanson and members of the Committee

The Oregon Women's Rights Coalition understands the need for additional affordable housing options for Oregonians. We do not, however, think that by shrinking the already inadequate property tax base as an incentive for house sharing is appropriate.

First, the bill requires the sponsoring public entity to "audit" the program. Does this mean that once in five years the county or city sends someone out to make sure the home share agreement is in place? From what other pot of money does this administrative cost come?

What about the additional cost for implementing the program in the assessor's department? This additional expenditure in administrative costs impacts the sponsoring agency's ability to pay other costs such as unfunded PERS liability.

By having this program, the "state" is blessing income from rental agreements. Will the state start collecting income taxes on the rental income or just ignore the tax liability of the homeowner?

The homeowner needs to make sure that they have the proper insurance coverage, which most likely would be landlord insurance. Is the cost of landlord insurance higher than regular homeowner's insurance?

Currently, the taxes of those in the senior deferral program are paid by the state to the counties. The state then collects those taxes when the home is sold. By extending this program to the seniors qualifying for the deferral, the local entities will not be made whole for senior's property tax except those taxes above the \$300,000 assessed value.

OWRC would rather see a grant program on a pilot basis matching folks without impacting property taxes.

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