

SB 837 STAFF MEASURE SUMMARY

Carrier: Sen. Taylor

Senate Committee On Finance and Revenue

Action Date: 04/02/19
Action: Do pass.
Vote: 4-0-1-0
Yeas: 4 - Bentz, Hass, Riley, Taylor
Exc: 1 - Boquist
Fiscal: Has minimal fiscal impact
Revenue: Revenue impact issued
Prepared By: Jaime McGovern, Economist
Meeting Dates: 3/7, 4/2

WHAT THE MEASURE DOES:

Allows real market value (RMV)to be adjusted subsequent to a Board of property tax appeals (BOPTA) decision if the property is sold within 5 years.

ISSUES DISCUSSED:

- Ability of county assessor to amend properties during the adjudication period for reasons other than sale
- Description of the adjudication period
- Description of appeals process, Oregon Tax Court, Magistrate division.
- Effect of incorrect recorded property value to taxing districts and other property owners
- Questions of retribution for BOPTA appeals
- DOR assesses centrally assessed properties
- Appeal outside of BOPTA's annual appeal window
- The statutory requirement of maintaining an accurate tax roll

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In general, if a property owner is not satisfied with the real market value of their property, they have the ability, through several avenues, to appeal the real market value of their property on the roll. If one of the adjudicating bodies, BOPTA, the tax court of appeals, or DOR decides in the favor of the property owner, then the value is frozen at that adjudicated level for five years. Currently, statute provides specific conditions under which RMV may be adjusted in the five years following an adjudicated decision. Those include property additions, subdividing and rezoning. This bill adds the condition of sale to that list. In particular, if the adjudicated value satisfies the property owner, then the property can not increase in value on the roll for five years (absent aforementioned circumstances). However, the property owner still maintains the right to further appeal the value in the following year, yet current statute does not allow roll correction in the other direction in the case of a sale. This bill provides that permissive option.