

Requested by JOINT COMMITTEE ON TAX EXPENDITURES

**PROPOSED AMENDMENTS TO
HOUSE BILL 2164**

1 In line 2 of the printed bill, after “taxation;” insert “creating new pro-
2 visions; amending ORS 307.517, 307.518, 307.523, 307.529, 307.535 and 315.675
3 and section 19, chapter 954, Oregon Laws 2001, sections 7 and 10, chapter 826,
4 Oregon Laws 2005, section 66, chapter 832, Oregon Laws 2005, section 6,
5 chapter 880, Oregon Laws 2007, sections 2b, 7b, 17 and 18, chapter 906,
6 Oregon Laws 2007, and sections 24, 28 and 36, chapter 913, Oregon Laws 2009;
7 repealing ORS 825.475;”.

8 Delete lines 4 through 11 and insert:

9 **“SECTION 1. Sections 2 and 3 of this 2019 Act are added to and
10 made a part of ORS chapter 315.**

11 **“SECTION 2. (1) A credit against taxes otherwise imposed under
12 ORS chapter 316 shall be allowed for amounts contributed by the tax-
13 payer during the tax year to a savings network account for higher
14 education established under ORS 178.300 to 178.355 or an ABLE account
15 established under ORS 178.380. A taxpayer who makes contributions
16 to both types of account may claim the credit for the amounts listed
17 in subsection (2) of this section for each type of account.**

18 **“(2) The amount of the credit allowed under this section shall be
19 limited based on the taxpayer’s adjusted gross income and shall be the
20 lesser of \$300, if reported on a joint return, or \$150, if reported on any
21 other type of return, or the following:**

1 “(a) The amount contributed, if the taxpayer’s adjusted gross in-
2 come does not exceed \$30,000;

3 “(b) 50 percent of the amount contributed, if the taxpayer’s adjusted
4 gross income exceeds \$30,000 but does not exceed \$70,000;

5 “(c) 25 percent of the amount contributed, if the taxpayer’s adjusted
6 gross income exceeds \$70,000 but does not exceed \$100,000;

7 “(d) 10 percent of the amount contributed, if the taxpayer’s adjusted
8 gross income exceeds \$100,000 but does not exceed \$250,000; or

9 “(e) 5 percent of the amount contributed, if the taxpayer’s adjusted
10 gross income exceeds \$250,000.

11 “(3)(a) The Department of Revenue shall annually adjust the maxi-
12 mum credit amounts allowable under this section according to the
13 cost-of-living adjustment for the calendar year. The department shall
14 first make this adjustment for a joint return by multiplying the maxi-
15 mum credit amount in subsection (2) of this section by the percentage
16 (if any) by which the monthly averaged U.S. City Average Consumer
17 Price Index for the 12 consecutive months ending August 31 of the
18 prior calendar year exceeds the monthly averaged U.S. City Average
19 Consumer Price Index for the 12 consecutive months ending August
20 31, 2018.

21 “(b) As used in this subsection, ‘U.S. City Average Consumer Price
22 Index’ means the U.S. City Average Consumer Price Index for All Ur-
23 ban Consumers (All Items) as published by the Bureau of Labor Sta-
24 tistics of the United States Department of Labor.

25 “(c) If any adjustment to the maximum credit amount for a joint
26 return, as determined under paragraph (a) of this subsection, is not a
27 multiple of \$20, the adjustment shall be rounded to the next lower
28 multiple of \$20. The department shall then adjust the maximum credit
29 amount for all other types of returns so that it is half the maximum
30 credit amount for a joint return.

1 “(4) A credit under this section is allowed for a preceding tax year
2 for amounts contributed to a savings network account for higher ed-
3 ucation or to an ABLE account if the contribution is made before the
4 taxpayer files a return or before the 15th day of the fourth month
5 following the closing of the taxpayer’s tax year, whichever is earlier.

6 “(5) A credit is not allowed under this section for any amount that
7 has been transferred into a savings network account for higher edu-
8 cation from an individual development account, through a rollover,
9 as provided in ORS 458.685 (4)(a)(A).

10 “(6) If the amount allowable as a credit under this section, when
11 added to the sum of the amounts allowable as payment of tax under
12 ORS 316.187 (withholding), ORS 316.583 (estimated tax), other tax pre-
13 payment amounts and other refundable credit amounts, exceeds the
14 taxes imposed by ORS chapters 314 and 316 for the tax year (reduced
15 by any nonrefundable credits allowable for purposes of ORS chapter
16 316 for the tax year), the amount of the excess shall be refunded to the
17 taxpayer as provided in ORS 316.502.

18 “(7) The credit shall be claimed on a form prescribed by the De-
19 partment of Revenue that contains the information required by the
20 department.

21 “(8) Spouses in a marriage who file separate returns for a taxable
22 year may each claim a share of the tax credit that would have been
23 allowed on a joint return in proportion to the adjusted gross income
24 of each.

25 “(9) In the case of a credit allowed under this section:

26 “(a) A nonresident shall be allowed the credit in the proportion
27 provided in ORS 316.117.

28 “(b) If a change in the status of the taxpayer from resident to
29 nonresident or from nonresident to resident occurs, the credit shall
30 be determined in a manner consistent with ORS 316.117.

1 “(c) If a change in the taxable year of the taxpayer occurs as de-
2 scribed in ORS 314.085, or if the department terminates the taxpayer’s
3 taxable year under ORS 314.440, the credit shall be prorated or com-
4 puted in a manner consistent with ORS 314.085.

5 “SECTION 3. (1) As provided in subsection (2) of this section, prior
6 tax relief afforded a taxpayer by virtue of the credit allowed under
7 section 2 of this 2019 Act shall be forfeited if any of the following are
8 taken:

9 “(a) A nonqualified withdrawal from an account, as defined in ORS
10 178.300;

11 “(b) A withdrawal from a savings network account for higher edu-
12 cation established under ORS 178.300 to 178.355 to pay expenses in
13 connection with enrollment or attendance at an elementary or sec-
14 ondary school; or

15 “(c) A distribution from an ABLE account that is not a qualified
16 disability expense of the designated beneficiary as provided in ORS
17 178.375 and 178.380 and rules adopted by the Oregon 529 Savings Board.

18 “(2) A taxpayer shall report the amount of a disallowed withdrawal
19 or distribution in the tax year in which it is taken, and shall remit the
20 taxes due as a result of the forfeited credit. The Department of Rev-
21 enue shall by rule determine the calculation of forfeited credit
22 amounts.

23 “(3) If a taxpayer does not report a disallowed withdrawal or dis-
24 tribution in the tax year that it is taken, and notwithstanding ORS
25 314.410, the department shall proceed to collect those taxes, including
26 penalties and interest, not paid by the taxpayer as a result of the tax
27 credit allowed the taxpayer.

28 “SECTION 4. Except as provided in ORS 316.699 (4), a taxpayer:

29 “(1) May use a subtraction under ORS 316.699 only for contributions
30 made in tax years beginning before January 1, 2020; and

1 **“(2) May carry forward and use a subtraction under ORS 316.699 (4)**
2 **only in tax years beginning before January 1, 2025.**

3 **“SECTION 5. Sections 2 and 3 of this 2019 Act apply to tax years**
4 **beginning on or after January 1, 2020, and before January 1, 2026.**

5 **“SECTION 6.** Section 19, chapter 954, Oregon Laws 2001, as amended by
6 section 35, chapter 913, Oregon Laws 2009, and section 8, chapter 750, Oregon
7 Laws 2013, is amended to read:

8 **“Sec. 19.** ORS 315.675 applies to tax years beginning on or after January
9 1, 2002, and before January 1, [2020] **2026.**

10 **“SECTION 7.** ORS 315.675 is amended to read:

11 **“315.675. (1)** As used in this section, ‘cultural organization’ means an en-
12 tity that is:

13 **“(a)** Exempt from federal income tax under section 501(c)(3) of the Inter-
14 nal Revenue Code; and

15 **“(b)** Organized primarily for the purpose of producing, promoting or pre-
16 senting the arts, heritage, programs and humanities to the public or organ-
17 ized primarily for identifying, documenting, interpreting and preserving
18 cultural resources.

19 **“(2)** A taxpayer shall be allowed a credit against the taxes otherwise due
20 under ORS chapter 316 for amounts contributed during the tax year to the
21 Trust for Cultural Development Account established under ORS 359.405.

22 **“(3)** A taxpayer that is a corporation shall be allowed a credit against the
23 taxes otherwise due under ORS chapter 317 or 318 for amounts contributed
24 during the tax year to the Trust for Cultural Development Account estab-
25 lished under ORS 359.405.

26 **“(4)** The credit is allowable under this section only to the extent the
27 taxpayer has contributed an equal amount to an Oregon cultural organiza-
28 tion during the tax year.

29 **“(5)** The amount of the credit shall equal 100 percent of the amount con-
30 tributed to the Trust for Cultural Development Account, but may not exceed

1 the lesser of the tax liability of the:

2 “(a) Taxpayer under ORS chapter 316 for the tax year [*or \$500*], **or \$1,000**
3 **for a taxpayer filing a joint return or \$500 for a taxpayer filing any**
4 **other type of return.**

5 “(b) Taxpayer that is a corporation under ORS chapter 317 or 318 for the
6 tax year or \$2,500.

7 “(6) The credit allowed under this section may not be carried over to
8 another tax year.

9 “(7) The credit allowed under this section is in addition to any charitable
10 contribution deduction allowable to the taxpayer.

11 “(8) In the case of a credit allowed under this section for purposes of ORS
12 chapter 316:

13 “(a) A nonresident shall be allowed the credit under this section in the
14 proportion provided in ORS 316.117.

15 “(b) If a change in the status of a taxpayer from resident to nonresident
16 or from nonresident to resident occurs, the credit allowed under this section
17 shall be determined in a manner consistent with ORS 316.117.

18 “(c) Spouses in a marriage who file separate returns for a taxable year
19 may each claim a share of the tax credit that would have been allowed on
20 a joint return in proportion to the contribution of each.

21 “(d) If a change in the taxable year of a taxpayer occurs as described in
22 ORS 314.085, or if the Department of Revenue terminates the taxpayer’s
23 taxable year under ORS 314.440, the credit allowed under this section shall
24 be prorated or computed in a manner consistent with ORS 314.085.

25 “**SECTION 8.** Section 7, chapter 826, Oregon Laws 2005, as amended by
26 section 21, chapter 906, Oregon Laws 2007, section 36, chapter 750, Oregon
27 Laws 2013, and section 14, chapter 217, Oregon Laws 2015, is amended to
28 read:

29 “**Sec. 7.** (1) Section 6, chapter 826, Oregon Laws 2005, applies to tax years
30 beginning on or after January 1, 2006, and before January 1, [2020] **2026.**

1 “(2) The amendments to section 6, chapter 826, Oregon Laws 2005, by
2 section 9, **chapter 217, Oregon Laws 2015**, [of this 2015 Act] apply to tax
3 years beginning on or after January 1, 2015, and before January 1, [2020]
4 **2026**.

5 “**SECTION 9.** Section 7b, chapter 906, Oregon Laws 2007, as amended by
6 section 3, chapter 83, Oregon Laws 2011, and section 35, chapter 750, Oregon
7 Laws 2013, is amended to read:

8 “**Sec. 7b.** The amendments to ORS 90.650 by section 7a, chapter 906,
9 Oregon Laws 2007, become operative January 1, [2020] **2026**.

10 “**SECTION 10.** Section 10, chapter 826, Oregon Laws 2005, as amended
11 by section 22, chapter 906, Oregon Laws 2007, section 37, chapter 750, Oregon
12 Laws 2013, and section 15, chapter 217, Oregon Laws 2015, is amended to
13 read:

14 “**Sec. 10.** (1) Section 9, chapter 826, Oregon Laws 2005, applies to tax
15 years beginning on or after January 1, 2006, and before January 1, [2020]
16 **2026**.

17 “(2) The amendments to section 9, chapter 826, Oregon Laws 2005, by
18 section 10, **chapter 217, Oregon Laws 2015**, [of this 2015 Act] apply to tax
19 years beginning on or after January 1, 2015, and before January 1, [2020]
20 **2026**.

21 “**SECTION 11.** Section 18, chapter 906, Oregon Laws 2007, as amended
22 by section 33, chapter 913, Oregon Laws 2009, and section 33, chapter 750,
23 Oregon Laws 2013, is amended to read:

24 “**Sec. 18.** Section 17, chapter 906, Oregon Laws 2007, applies to individ-
25 uals whose household ends tenancy at a manufactured dwelling park during
26 a tax year that begins on or after January 1, 2007, and before January 1,
27 [2020] **2026**.

28 “**SECTION 12.** Section 2b, chapter 906, Oregon Laws 2007, as amended
29 by section 1, chapter 83, Oregon Laws 2011, and section 34, chapter 750,
30 Oregon Laws 2013, is amended to read:

1 “**Sec. 2b.** The amendments to ORS 90.645 by section 2a, chapter 906,
2 Oregon Laws 2007, become operative January 1, [2020] **2026.**”

3 “**SECTION 13.** Section 17, chapter 906, Oregon Laws 2007, as amended
4 by section 17, chapter 348, Oregon Laws 2015, is amended to read:

5 “**Sec. 17.** (1) As used in this section:

6 “(a) ‘Household’ means the taxpayer, the spouse of the taxpayer and all
7 other persons residing in the manufactured dwelling during any part of the
8 calendar year for which a credit is claimed.

9 “(b) ‘Manufactured dwelling’ has the meaning given that term in ORS
10 446.003.

11 “(c) ‘Manufactured dwelling park’ means a place within this state where
12 four or more manufactured dwellings are located, the primary purpose of
13 which is to rent space or keep space for rent to any person for a charge or
14 fee.

15 “(d) ‘Rental agreement’ means a contract under which an individual rents
16 space in a manufactured dwelling park for siting a manufactured dwelling.

17 “(2) A credit of \$5,000 against the taxes otherwise due under this chapter
18 is allowed to an individual who:

19 “(a) Rents space in a manufactured dwelling park for a manufactured
20 dwelling that is owned and occupied by the individual as the individual’s
21 principal residence on the date that the landlord delivers notice that the
22 park, or a portion of the park, is being closed and the rental agreement for
23 the space is being terminated **by the landlord or** because of the exercise of
24 eminent domain, by order of a federal, state or local agency [*or by the land-*
25 *lord*]; and

26 “(b) Ends tenancy at the manufactured dwelling park site in response to
27 the delivered notice described in paragraph (a) of this subsection.

28 “(3) For purposes of subsection (2) of this section:

29 “(a) Tenancy by the individual at the manufactured dwelling park site
30 ends on the last day that a member of the individual’s household occupies

1 the manufactured dwelling at the manufactured dwelling park site; and

2 “(b) Tenancy by the individual at the manufactured dwelling park site
3 does not end if the manufactured dwelling park is converted to a subdivision
4 under ORS 92.830 to 92.845 and the individual buys a space or lot in the
5 subdivision or sells the manufactured dwelling to a person who buys a space
6 or lot in the subdivision.

7 “(4) Notwithstanding subsection (2) of this section, if the manufactured
8 dwelling park, or a portion of the park, is being closed and the rental
9 agreement of the individual is being terminated because of the exercise of
10 eminent domain, the credit amount allowed to the individual is the amount
11 described in subsection (2) of this section, reduced by any amount that was
12 paid to the individual as compensation for the exercise of eminent domain.

13 “(5) An individual may not claim more than one credit under this section
14 for tenancies ended during the tax year.

15 “(6) If, for the year in which the individual ends the tenancy at the
16 manufactured dwelling park, the amount of the credit allowed by this sec-
17 tion, when added to the sum of the amounts allowable as payment of tax
18 under ORS 316.187 and 316.583 plus other tax prepayment amounts and other
19 refundable credit amounts, exceeds the taxes imposed by this chapter or ORS
20 chapter 314 for the tax year, reduced by any nonrefundable credits allowable
21 for purposes of this chapter for the tax year, the amount of the excess shall
22 be refunded to the individual as provided in ORS 316.502.

23 “(7) If more than one individual in a household qualifies under this sec-
24 tion to claim the tax credit, the qualifying individuals may each claim a
25 share of the available credit that is in proportion to their respective gross
26 incomes for the tax year.

27 **“SECTION 14. The amendments to section 17, chapter 906, Oregon**
28 **Laws 2007, by section 13 of this 2019 Act apply to tax years beginning**
29 **on or after January 1, 2017.**

30 **“SECTION 15. Section 36, chapter 913, Oregon Laws 2009, as amended**

1 by section 9, chapter 750, Oregon Laws 2013, is amended to read:

2 “**Sec. 36.** A credit may not be claimed under ORS 316.157 for tax years
3 beginning on or after January 1, [2020] **2026.**

4 “**SECTION 16.** Section 66, chapter 832, Oregon Laws 2005, as amended
5 by section 26, chapter 913, Oregon Laws 2009, and section 16, chapter 750,
6 Oregon Laws 2013, is amended to read:

7 “**Sec. 66.** ORS 315.622 applies to tax credit certifications issued by the
8 Office of Rural Health on or after January 1, 2006, and before January 1,
9 [2020] **2026.**

10 “**SECTION 17.** Section 24, chapter 913, Oregon Laws 2009, as amended
11 by section 17, chapter 750, Oregon Laws 2013, is amended to read:

12 “**Sec. 24.** Except as provided in ORS 315.237 (6), a credit may not be
13 claimed under ORS 315.237 for tax years beginning on or after January 1,
14 [2020] **2026.**

15 “**SECTION 18.** Section 28, chapter 913, Oregon Laws 2009, as amended
16 by section 18, chapter 750, Oregon Laws 2013, is amended to read:

17 “**Sec. 28.** Except as provided in ORS 315.164 (8), a credit may not be
18 claimed under ORS 315.164 for **agriculture workforce housing projects**
19 **completed in** tax years beginning on or after January 1, [2020] **2026.**

20 “**SECTION 19.** Section 6, chapter 880, Oregon Laws 2007, as amended by
21 section 1, chapter 750, Oregon Laws 2013, is amended to read:

22 “**Sec. 6.** ORS 315.266 applies to tax years beginning before January 1,
23 [2020] **2026.**

24 “**SECTION 20.** ORS 307.517, as amended by section 10, chapter 111,
25 Oregon Laws 2018, is amended to read:

26 “307.517. (1) Property or a portion of the property is exempt from taxation
27 as provided under ORS 307.515 to 307.523 if:

28 “(a) The property is:

29 “(A) Offered for rent; or

30 “(B) Held for the purpose of developing low income rental housing, for a

1 period not exceeding a reasonable maximum period, if any, adopted by the
2 governing body;

3 “(b) The property, if occupied, is occupied solely by low income persons;

4 “(c) The required rent payment reflects the full value of the property tax
5 exemption;

6 “(d) The exemption has been approved as provided in ORS 307.523, pur-
7 suant to an application filed before July 1, [2020] **2030**;

8 “(e) The housing units on the property were constructed after the local
9 governing body adopted the provisions of ORS 307.515 to 307.523; and

10 “(f) The information disclosed on the application filed pursuant to ORS
11 307.521 meets any other criteria adopted by the governing body.

12 “(2) A governing body that adopts the provisions of ORS 307.515 to 307.523
13 may adopt additional criteria for exemption that do not conflict with the
14 criteria described in subsection (1)(a) to (e) of this section.

15 “(3) For the purposes of subsection (1) of this section, a person that has
16 only a leasehold interest in property is deemed to be a purchaser of that
17 property if:

18 “(a) The person is obligated under the terms of the lease to pay the ad
19 valorem taxes on the real and personal property used in this activity on that
20 property; or

21 “(b) The rent payable has been established to reflect the savings resulting
22 from the exemption from taxation.

23 **“SECTION 21.** ORS 307.518, as amended by section 11, chapter 111,
24 Oregon Laws 2018, is amended to read:

25 “307.518. (1) Property or a portion of property is exempt from taxation as
26 provided under ORS 307.515 to 307.523 if:

27 “(a) The property, if unoccupied, is:

28 “(A) Offered for rental solely as a residence for low income persons; or

29 “(B) Held for the purpose of developing low income rental housing, for a
30 period not exceeding a reasonable maximum period, if any, adopted by the

1 governing body;

2 “(b) The property, if occupied, is occupied solely as a residence for low
3 income persons;

4 “(c) An exemption for the property has been approved as provided under
5 ORS 307.523, pursuant to an application filed before July 1, [2020] **2030**;

6 “(d) The property is owned or being purchased by a nonprofit corporation
7 organized in a manner that meets the criteria for a public benefit corporation
8 or a religious corporation, both terms as defined in ORS 65.001;

9 “(e) The property is owned or being purchased by a nonprofit corporation
10 that expends no more than 10 percent of the nonprofit corporation’s annual
11 income from residential rentals for purposes other than the acquisition,
12 maintenance or repair of residential rental property for low income persons
13 or for the provision of on-site child care services for the residents of the
14 rental property; and

15 “(f) The information disclosed on the application filed pursuant to ORS
16 307.521 meets any other criteria adopted by the governing body.

17 “(2) A governing body that adopts the provisions of ORS 307.515 to 307.523
18 may adopt additional criteria for exemption that do not conflict with the
19 criteria described in subsection (1)(a) to (e) of this section.

20 “(3) For the purposes of this section, a nonprofit corporation that has
21 only a leasehold interest in property is considered to be a purchaser of that
22 property if:

23 “(a) The nonprofit corporation is obligated under the terms of the lease
24 to pay the ad valorem taxes on the real and personal property used in the
25 rental activity on that property; or

26 “(b) The rent payable has been established to reflect the savings resulting
27 from the exemption from taxation.

28 “(4) A partnership shall be considered a nonprofit corporation for pur-
29 poses of this section if:

30 “(a) A nonprofit corporation is a general partner of the partnership; and

1 “(b) The nonprofit corporation is responsible for the day-to-day operation
2 of the property that is the subject of the exemption under ORS 307.515 to
3 307.523.

4 **“SECTION 22.** ORS 307.523, as amended by section 12, chapter 111,
5 Oregon Laws 2018, is amended to read:

6 “307.523. (1) Application shall be made on or before December 1 of the
7 calendar year immediately preceding the first assessment year for which ex-
8 emption is requested, and shall be accompanied by the application fee re-
9 quired under ORS 307.527. However, if the property is acquired after
10 November 1, the application shall be made within 30 days after the date of
11 acquisition.

12 “(2) Within 60 days of the filing of an application under ORS 307.521, the
13 governing body shall take final action upon the application as provided un-
14 der ORS 307.527, and certify the results of the action to the county assessor,
15 as set forth in ORS 307.512.

16 “(3) Upon receipt of certification under subsection (2) of this section, the
17 county assessor shall exempt the property from taxation to the extent certi-
18 fied by the governing body.

19 “(4) Notwithstanding the dates specified in ORS 307.517 and 307.518,
20 property granted exemption pursuant to an application filed under ORS
21 307.517 or 307.518 before July 1, [2020] **2030**, shall continue to receive the
22 exemption on the same terms, including duration, on which the exemption
23 was granted.

24 **“SECTION 23.** ORS 307.529, as amended by section 13, chapter 111,
25 Oregon Laws 2018, is amended to read:

26 “307.529. (1) Except as provided in ORS 307.531, if, after an application
27 for exemption under ORS 307.517 has been approved under ORS 307.527, the
28 governing body finds that construction or development of the exempt prop-
29 erty differs from the construction or development described in the applica-
30 tion for exemption, or is not completed on or before July 1, [2020] **2030**, or

1 that any provision of ORS 307.515 to 307.523 is not being complied with, or
2 any provision required by the governing body pursuant to ORS 307.515 to
3 307.523 is not being complied with, the governing body shall give notice of
4 the proposed termination of the exemption to the owner, by mailing the no-
5 tice to the last-known address of the owner, and to every known lender, by
6 mailing the notice to the last-known address of every known lender. The
7 notice shall state the reasons for the proposed termination and shall require
8 the owner to appear at a specified time, not less than 20 days after mailing
9 the notice, to show cause, if any, why the exemption should not be termi-
10 nated.

11 “(2) If the owner fails to appear and show cause why the exemption
12 should not be terminated, the governing body shall notify every known
13 lender, and shall allow any lender not less than 30 days after the date the
14 notice of the failure to appear and show cause is mailed to cure any non-
15 compliance or to provide assurance adequate to the governing body that all
16 noncompliance shall be remedied.

17 “(3) If the owner fails to appear and show cause why the exemption
18 should not be terminated, and the lender fails to cure or give adequate as-
19 surance of the cure of any noncompliance, the governing body shall adopt
20 an ordinance or resolution stating its findings terminating the exemption.
21 A copy of the ordinance or resolution shall be filed with the county assessor,
22 and a copy shall be sent to the owner at the owner’s last-known address and
23 to the lender at the last-known address of the lender within 10 days after its
24 adoption.

25 **“SECTION 24.** ORS 307.535, as amended by section 14, chapter 111,
26 Oregon Laws 2018, is amended to read:

27 “307.535. Notwithstanding any provision of ORS 307.515 to 307.523:

28 “(1) If the governing body finds that construction of the housing unit
29 otherwise entitled to exemption under ORS 307.517 was not completed by
30 July 1, [2020] **2030**, due to circumstances beyond the control of the owner,

1 and that the owner had been acting and could reasonably be expected to act
2 in good faith and with due diligence, the governing body may extend the
3 deadline for completion of construction for a period not to exceed 12 con-
4 secutive months.

5 “(2) If property granted exemption under ORS 307.515 to 307.523 is de-
6 stroyed by fire or act of God, or is otherwise no longer capable of owner-
7 occupancy due to circumstances beyond the control of the owner, the
8 exemption shall cease but no additional taxes shall be imposed upon the
9 property under ORS 307.531 or 307.533.

10 **“SECTION 25. ORS 825.475 is repealed.**

11 **“SECTION 26. The repeal of ORS 825.475 by section 25 of this 2019
12 Act becomes operative on January 1, 2026.**

13 **“SECTION 27. This 2019 Act takes effect on the 91st day after the
14 date on which the 2019 regular session of the Eightieth Legislative
15 Assembly adjourns sine die.”.**

16
