

HJR 13 STAFF MEASURE SUMMARY

House Committee On Revenue

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Sub-Referral To: House Committee On Rules

Meeting Dates: 3/1

WHAT THE MEASURE DOES:

Proposes an amendment to the Oregon constitution to modify the state's property tax system. The measure would require the ratio of maximum assessed value to real market value to be .75. Provides a five-year time period for the ratio to adjust upward or downward to that level. Creates a homestead exemption equal to the lesser of \$25,000 or 25 percent of real market value. Refers the proposal to the people for a vote at the next regular general election.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

With the passage of Measures 47/50 in the 1990s, Oregon's values within the property tax system became bifurcated. The value used to calculate tax, assessed value, was set to 90% of 1995-96 levels and then limited to three percent annual growth. Over time, as different parts of the state experienced different growth rates, the ratio of assessed to real market value has become quite different across the state.