

HB 3275 A -2 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 5/6

WHAT THE MEASURE DOES:

Exempts land owned by eligible covenant holder that is burdened by affordable housing covenant requiring permanent affordability from ad valorem property taxation if improvements on land constitute owner-occupied housing. Provides that 27 percent of real market value of owner-occupied condominium unit burdened by affordable housing covenant requiring permanent affordability is exempt from ad valorem property taxation. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Clarifies terms of covenant, and specifies termination conditions and claw-back provisions.

BACKGROUND:

ORS 456.270 provides conditions for and a definition of affordable housing covenant, including household income at or below 80% of the median area income. There are multiple provisions in statute regarding low income housing and land held for low income housing. These programs are captured in the Department of Revenue's Tax Expenditure Report including TER 2.007, 2.021, 2.106, 2.110 and 2.108. These span housing offered by the government, companies, non-profits and home-share participants.