

**HB 2438 A STAFF MEASURE SUMMARY**

**Senate Committee On Finance and Revenue**

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**Prepared By:** Jaime McGovern, Economist

**Meeting Dates:** 6/21

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**WHAT THE MEASURE DOES:**

Establishes permissive property tax exemption program for workforce housing. Requires adoption of ordinance by governing body of county. Applies to county with population of less than 15,000. Establishes program ordinance minimum requirements. Establishes cap of five on allowable new participants. Applies to homeowner with incomes less than \$75,000 single for single filers or \$150,000 joint filers.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

The introduced version of this measure requested a study into property tax structures. The engrossed version creates a property tax exemption in Oregon counties with populations less than 15,000. Generally, in Oregon, property tax is governed by the constitution according to Measure 5 and Measure 50 restrictions. All types of property located within the same code area, formed by taxing districts, are subject to the same tax rate. The taxable assessed value for the property determines the tax base for the property. Special assessments and property tax exemptions affect the tax imposed on the property owner.