SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor’s brief statement of the essential features of the measure as introduced.

Grants higher property tax exemption for property of veterans with service-connected disabilities. Grants exemption for veteran’s surviving spouse who remains unmarried. Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to property tax exemption for disabled veterans; creating new provisions; amending ORS 307.250, 307.260 and 307.270; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 307.250 is amended to read:

ORS 307.250. (1) As used in [this section and ORS 307.260, 307.262 and 307.270,] ORS 307.250 to

(a) “Surviving spouse of a veteran” means a veteran’s surviving spouse who has not re-

(b) “Veteran” has the meaning given that term in ORS 408.225.

(2) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed

$15,000 of the assessed value of the homestead or personal property of any of the following residents

of this state other than those described in subsection (3) or (4) of this section:

(a) Any veteran who is officially certified by the United States Department of Veterans Affairs

or any branch of the Armed Forces of the United States as having disabilities of 40 percent or more.

(b) Any veteran having served with the United States Armed Forces who, as certified by one

duly licensed physician or naturopathic physician, is rated as having disabilities of 40 percent or

more. However, a veteran shall be entitled to the exemption granted under this paragraph only if

the veteran during the calendar year immediately preceding the assessment year for which the ex-

emption is claimed had total gross income, including pensions, disability compensation or retirement

pay, or any combination of such payments from the United States Government on account of such

service, of not more than 185 percent of federal poverty guidelines.

[(c) The surviving spouse remaining unmarried of a veteran, but the exemption shall apply only to
the period preceding the date of the first remarriage of the surviving spouse.]}

(c) The surviving spouse of a veteran.

(3) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed

[$18,000] $45,000 of the assessed value of the homestead or personal property of any of the following residents of this state:

(a) Any veteran who is officially certified by the United States Department of Veterans Affairs

or any branch of the Armed Forces of the United States as having service-connected disabilities of

at least 40 percent [or more] but less than 100 percent.

NOTE: Matter in boldfaced type in an amended section is new; matter [italic and bracketed] is existing law to be omitted.
New sections are in boldfaced type.

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(b) The surviving spouse [remaining unmarried] of a veteran, if the veteran died as a result of service-connected injury or illness or if the veteran received at least one year of the maximum exemption from taxation [allowed] granted under paragraph (a) of this subsection after 1981 for a veteran certified as having service-connected disabilities of at least 40 percent [or more] but less than 100 percent.

(4) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed $100,000 of the assessed value of the homestead or personal property of any of the following residents of this state:

(a) Any veteran who is officially certified by the United States Department of Veterans Affairs or any branch of the Armed Forces of the United States as having service-connected disabilities of 100 percent or more.

(b) The surviving spouse of a veteran, if the veteran died as a result of service-connected injury or illness or if the veteran received at least one year of the maximum exemption from taxation granted under paragraph (a) of this subsection after 1981 for a veteran certified as having service-connected disabilities of 100 percent or more.

(5)(a) Notwithstanding subsection (4) of this section, a county may adopt an ordinance or resolution that establishes a maximum amount of annual gross income that may be earned by a veteran or surviving spouse of a veteran described in subsection (4) of this section for purposes of eligibility for the exemption granted under subsection (4) of this section.

(b) In a county that establishes a maximum amount of annual gross income under this subsection, the homestead or personal property of a veteran or surviving spouse of a veteran whose annual gross income exceeds the maximum but who is otherwise eligible under subsection (4) of this section shall be granted the exemption under subsection (3) of this section.

(6) The amount of the exemption [allowed] granted under subsection (2), [or] (3) or (4) of this section shall equal 103 percent of the amount of the exemption for the prior tax year.

(7) An exemption granted under this section to the property of a surviving spouse of a veteran applies solely to the period preceding the date of the first remarriage of the surviving spouse of a veteran and ends on the date of remarriage.

SECTION 2. ORS 307.260 is amended to read:

307.260. (1)(a) Each veteran or surviving spouse of a veteran [qualifying for] seeking the exemption under ORS 307.250 [shall] must file with the county assessor, on forms supplied by the assessor, a claim [therefor] for exemption in writing on or before April 1 of the assessment year for which the exemption is claimed, except that when the property designated is acquired after March 1 but prior to July 1 the claim [shall] must be filed within 30 days after the date of acquisition.

(b) A claim [need not be filed] is not required under this section in order to be [allowed] granted the exemption described in ORS 307.250 if:

(A) The homestead or personal property of the veteran or surviving spouse of a veteran was [allowed] granted the exemption under ORS 307.250 for the preceding tax year;

(B) The individual claiming the exemption is a veteran described in ORS 307.250 (2)(a), [or] (3)(a) or (4)(a) or a surviving spouse of a veteran who meets the requirements of ORS 307.250 (2)(c), [or] (3)(b) or (4)(b); and

(C) As of the filing date for the current tax year, the ownership and use of the homestead or personal property and all other [qualifying] conditions of eligibility for the homestead or personal property to be [allowed] granted the exemption remain unchanged.

(c)(A) If the individual claiming the exemption is a veteran described in ORS 307.250 (2)(b), the
claimant [shall] must file a claim annually that satisfies the requirements of subsection (2) of this section on or before the date required in paragraph (a) of this subsection.

(B) If the county assessor has not received a claim filed under this paragraph on or before April 1 of the current year, not later than April 10 of each year, the county assessor shall notify the veteran in the county who [secured] was granted an exemption under ORS 307.250 (2)(b) in the preceding year but who did not [make application therefor] file a claim for the exemption on or before April 1 of the current year. The county assessor may provide the notification on an unsealed postal card. A veteran so notified may [secure] be granted the exemption, if still [qualified] eligible, by [making application therefor to] filing a claim for the exemption with the county assessor not later than May 1 of the current year, accompanied by a late-filing fee of $10, which shall be deposited in the general fund of the county for general governmental expenses. If the claim for any tax year is not filed within the time specified, the exemption may not be [allowed] granted on the assessment roll for that year.

(2)(a) [The claim shall] A claim filed under this section must set out the basis of the claim and designate the property to which the exemption may apply. Except as provided in subsection (3) of this section, there must be affixed to claims for [exemptions] exemption under ORS 307.250 (2)(a), [and] (3)(a) and (4)(a) [shall have affixed thereto] the certificate last issued by United States Department of Veterans Affairs or the branch of the Armed Forces of the United States, as [the case may be] applicable, but dated within three years prior to the date of the claim for exemption, certifying the rate of disability of the claimant.

(b) Except as provided in subsection (3) of this section, there must be affixed to claims for exemption under ORS 307.250 (2)(b) [shall, except as provided in subsection (3) of this section, have affixed thereto], in addition to the certificate last issued by a licensed physician or naturopathic physician and dated within one year prior to the date of the claim for exemption, certifying the rate of disability of the claimant, a statement by the claimant under oath or affirmation setting forth the total gross income received by the claimant from all sources during the last calendar year.

(c) There must also [shall] be affixed to each claim the affidavit or affirmation of the claimant that the statements contained [therein] in the claim are true.

(3) The provisions of subsection (2) of this section that require a veteran to affix to the claim certificates of the United States Department of Veterans Affairs, a branch of the Armed Forces of the United States or a licensed physician or naturopathic physician do not apply to a veteran who has filed the required certificate after attaining the age of 65 years or to a veteran who has filed, on or after September 27, 1987, a certificate certifying a disability rating that, under federal law, is permanent and cannot be changed.

(4)(a) Notwithstanding subsection (1) of this section, a surviving spouse of a veteran may file a claim for the exemption under ORS 307.250 at any time during the tax year if:

(A) The veteran died during the previous tax year; or

(B) The property designated as the homestead was acquired after March 1 but prior to July 1 of the assessment year and the veteran died within 30 days of the date the property was acquired.

(b) [The claim shall be allowed by] The county assessor shall grant the claim if the surviving spouse of a veteran meets all of the [qualifications] eligibility requirements for an exemption under ORS 307.250 other than the timely filing of a claim under subsection (1) of this section.

(c) If taxes on the exempt value have been paid, the taxes shall be refunded in the manner prescribed in paragraph (d) of this subsection. If taxes on the exempt value have not been paid, the taxes and any interest [thereon shall be] are abated.
(d) The tax collector shall notify the governing body of the county of any refund required under this section and the governing body shall cause a refund of the taxes and any interest paid to be made from the unsegregated tax collections account described in ORS 311.385. The refund under this subsection shall be made without interest. The county assessor and tax collector shall make the necessary corrections in the records of their offices.

SECTION 3. ORS 307.270 is amended to read:

307.270. (1) The exemption under ORS 307.250 applies to property [a] that an eligible veteran or surviving spouse of a veteran owns or has in possession under a recorded contract of purchase.

2 The exemption first applies to the homestead of the veteran or surviving spouse of a veteran and then to the personal property of the veteran or surviving spouse of a veteran.

3 Property of the spouse of [the] a veteran is deemed the homestead of the veteran if the veteran and the spouse of the veteran are living together and occupying the property as their homestead.

4 When a veteran or surviving spouse of a veteran applies for exemption on properties in two or more counties, the total amount of the exemption allowed in all counties may not exceed the maximum amount of exemption under ORS 307.250.

(2) (5) For each [qualified] eligible veteran or surviving spouse of a veteran, only one valid and allowable claim for an exemption on a homestead [shall] may be permitted in any one assessment year.

SECTION 4. The amendments to ORS 307.250, 307.260 and 307.270 by sections 1 to 3 of this 2021 Act apply to property tax years beginning on or after July 1, 2021.

SECTION 5. This 2021 Act takes effect on the 91st day after the date on which the 2021 regular session of the Eighty-first Legislative Assembly adjourns sine die.