HOUSE BILL 3143

Ordered by the House June 2
Including House Amendments dated June 2

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.

Provides for daily rather than monthly computation of interest on delinquent property taxes. Permits county to authorize waiver or reduction of interest if taxpayer demonstrates good and sufficient cause for late payment. Defines "good and sufficient cause" as extraordinary circumstance beyond taxpayer's control that caused late payment.

Delays to December 15 date on which interest begins to accrue on first one-third of property taxes, and other related charges, not paid when due on November 15.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to interest charged on delinquent property taxes; creating new provisions; amending ORS 311.505; and prescribing an effective date.

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

SECTION 1. ORS 311.505 is amended to read:

311.505. (1) Except as provided in subsection (6) of this section, the first one-third of all taxes and other charges due from the taxpayer or property, levied or imposed and charged on the latest tax roll, shall be paid as follows:

(a) The first one-third on or before November 15;

(b) The second one-third on or before February 15;

(c) The remaining one-third on or before May 15 next following.

(2) Interest shall begin to accrue, and shall be charged and collected, at the rate of one and one-third percent per month, or fraction of a month, until paid, on any taxes on property, other charges, and on any additional taxes or penalty imposed for disqualification of property for special assessment or exemption, or installment thereof not paid when due, at the rate of one and one-third percent per month, or fraction of a month until paid, on or before the following dates:

(a) December 15, for the first one-third;

(b) February 15, for the second one-third; and

(c) May 15 next following, for the remaining one-third.

(3) Discounts shall be allowed on partial or full payments of such taxes, made on or before November 15 as follows:

(a) Two percent on two-thirds of such taxes so paid.

(b) Three percent where all of such taxes are so paid.

(4) For purposes of this section, “taxes” includes all taxes on property as defined in ORS 310.140 and certified to the assessor under ORS 310.060 except taxes assessed on any other property which

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

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have by any means become a lien against the property for which the payment was made.

(5) All interest collected and all discounts allowed shall be prorated to the several municipal
corporations, taxing districts and governmental agencies sharing in the taxes or assessments.

(6) If the total property tax is less than $40, no installment payment of taxes shall be allowed.

SECTION 2. The amendments to ORS 311.505 by section 1 of this 2021 Act apply to taxes
that become due for property tax years beginning on or after July 1, 2022.

SECTION 3. 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.