

HB 4054-1
(LC 245)
2/1/22 (ASD/ps)

Requested by HOUSE COMMITTEE ON REVENUE (at the request of Representative Bobby Levy
and Representative Andrea Valderrama)

**PROPOSED AMENDMENTS TO
HOUSE BILL 4054**

1 On page 1 of the printed bill, line 2, after “property;” delete the rest of
2 the line and line 3 and insert “amending ORS 358.499 and 358.505;”.

3 Delete lines 6 through 28 and delete pages 2 through 28 and insert:

4 **“SECTION 1.** ORS 358.499 is amended to read:

5 “358.499. (1) Property first classified and specially assessed as historic
6 property for a tax year beginning on or before July 1, 1994, shall continue
7 to be so classified, specially assessed and removed from special assessment
8 as provided under ORS 358.487 to 358.543 as those sections were in existence
9 and in effect on December 31, 1992.

10 “(2) Property may be classified and specially assessed under ORS 358.487
11 to 358.543 pursuant to application filed under ORS 358.487 on or after Sep-
12 tember 9, 1995, and first applicable for the tax year 1996-1997 or any tax year
13 thereafter.

14 “(3) Property may not be classified and specially assessed pursuant to
15 application filed under ORS 358.487 or 358.540 if the application is filed on
16 or after July 1, [2022] **2024, for property tax years beginning on or after**
17 **July 1, 2025.**

18 **“SECTION 2.** ORS 358.505 is amended to read:

19 “358.505. (1)(a) Except as provided in paragraphs (b) and (c) of this sub-
20 section, for property certified for special assessment as historic property
21 under ORS 358.490, the county assessor shall for 10 consecutive tax years list

1 on the assessment and tax roll a specially assessed value that equals the
2 [assessed] **real market** value of the property at the time application was
3 made under ORS 358.487.

4 “(b) If the property certified for special assessment as historic property
5 was exempt or specially assessed at the time the application was made, the
6 county assessor shall for 10 consecutive tax years list on the assessment and
7 tax roll a specially assessed value that equals the product of the real market
8 value of the property for the tax year in which the application was made
9 multiplied by the ratio of the average maximum assessed value over the av-
10 erage real market value for that tax year of property in the same area and
11 property class.

12 “(c) If the property certified for special assessment as historic property
13 is a condominium unit being assessed upon initial sale by the developer, the
14 county assessor shall for the tax years of the remaining term of historic
15 property special assessment list on the assessment and tax roll a specially
16 assessed value that equals the product of the real market value of the prop-
17 erty for the tax year in which the initial sale took place multiplied by the
18 ratio of the average maximum assessed value over the average real market
19 value for that tax year of property in the same area and property class.

20 “(d) For property certified under ORS 358.490 for a second term of special
21 assessment as historic property under ORS 358.540, the county assessor shall,
22 for 10 consecutive tax years after the date of the filing of the application
23 under ORS 358.487 for the second term, list on the assessment and tax roll
24 a specially assessed value that equals the real market value of the property
25 for the assessment year in which the application is made.

26 “(2)(a) Notwithstanding ORS 308.149 (2), for the first tax year of an initial
27 or second 10-year period of historic property special assessment, the maxi-
28 mum assessed value of property subject to historic property special assess-
29 ment shall equal the specially assessed value of the property under
30 subsection (1) of this section multiplied by the ratio, not greater than 1.00,

1 of the maximum assessed value the property would have had if the property
2 were not specially assessed over the real market value of the property.

3 “(b) For each tax year after the first tax year during which the property
4 is subject to special assessment as historic property, the property’s maximum
5 assessed value equals 103 percent of the property’s assessed value from the
6 prior year or 100 percent of the property’s maximum assessed value from the
7 prior year, whichever is greater.

8 “(3) The assessed value of property that is classified as historic property
9 for the tax year shall equal the least of:

10 “(a) The property’s specially assessed value as determined under sub-
11 section (1) of this section;

12 “(b) The property’s maximum assessed value as determined under sub-
13 section (2) of this section; or

14 “(c) The property’s real market value as of the assessment date for the
15 tax year.

16 “(4) The entitlement of property to the special assessment provisions of
17 this section shall be determined as of July 1. If the property becomes dis-
18 qualified on or after July 1, its assessment for that year shall continue as
19 provided in this section.

20 “(5) Assessed value, as defined and determined under ORS 308.146, shall
21 be determined for property classified as historic property by the county
22 assessor each year. The assessed value so determined for any year shall be
23 subject to appeal to the county board of property tax appeals within the time
24 and in the manner provided in ORS chapter 309 and shall be subject to ap-
25 peal thereafter to the Oregon Tax Court and to the Oregon Supreme Court
26 within the time and in the manner provided for appeals of value determi-
27 nation for purposes of ad valorem property taxation.

28 **“SECTION 3. This 2022 Act takes effect on the 91st day after the**
29 **date on which the 2022 regular session of the Eighty-first Legislative**
30 **Assembly adjourns sine die.”**

