

HB 4054-5  
(LC 245)  
2/9/22 (ASD/ps)

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

**PROPOSED AMENDMENTS TO  
HOUSE BILL 4054**

1 On page 1 of the printed bill, line 2, after “ORS” delete the rest of the  
2 line and line 3 and insert “358.499, 358.505 and 358.540;”.

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.** Notwithstanding ORS 358.499 (3), property that was  
19 **granted special assessment as historic property under ORS 358.480 to**  
20 **358.545 for any property tax year beginning before July 1, 2025, shall**  
21 **continue to be specially assessed under the provisions of ORS 358.480**

1 to 358.545, including the period for which the special assessment was  
2 granted, in effect as of the date on which the property was granted the  
3 first year of the property's current initial or second 10-year period of  
4 historic property special assessment.

5 **“SECTION 3.** ORS 358.505 is amended to read:

6 “358.505. (1)(a) Except as provided in paragraphs (b) and (c) of this sub-  
7 section, for property certified for special assessment as historic property  
8 under ORS 358.490, the county assessor shall for 10 consecutive tax years list  
9 on the assessment and tax roll a specially assessed value that equals the  
10 [assessed] **real market** value of the property at the time application was  
11 made under ORS 358.487.

12 “(b) If the property certified for special assessment as historic property  
13 was exempt or specially assessed at the time the application was made, the  
14 county assessor shall for 10 consecutive tax years list on the assessment and  
15 tax roll a specially assessed value that equals the product of the real market  
16 value of the property for the tax year in which the application was made  
17 multiplied by the ratio of the average maximum assessed value over the av-  
18 erage real market value for that tax year of property in the same area and  
19 property class.

20 “(c) If the property certified for special assessment as historic property  
21 is a condominium unit being assessed upon initial sale by the developer, the  
22 county assessor shall for the tax years of the remaining term of historic  
23 property special assessment list on the assessment and tax roll a specially  
24 assessed value that equals the product of the real market value of the prop-  
25 erty for the tax year in which the initial sale took place multiplied by the  
26 ratio of the average maximum assessed value over the average real market  
27 value for that tax year of property in the same area and property class.

28 “(d) For property certified under ORS 358.490 for a second term of special  
29 assessment as historic property under ORS 358.540, the county assessor shall,  
30 for 10 consecutive tax years after the date of the filing of the application

1 under ORS 358.487 for the second term, list on the assessment and tax roll  
2 a specially assessed value that equals the real market value of the property  
3 for the assessment year in which the application is made.

4 “(2)(a) Notwithstanding ORS 308.149 (2), for the first tax year of an initial  
5 or second 10-year period of historic property special assessment, the maxi-  
6 mum assessed value of property subject to historic property special assess-  
7 ment shall equal the specially assessed value of the property **as determined**  
8 under subsection (1) of this section multiplied by the ratio, not greater than  
9 1.00, of the maximum assessed value the property would have had **from the**  
10 **prior year** if the property were not specially assessed over the real market  
11 value of the property **from the prior year**.

12 “(b) For each tax year after the first tax year during which the property  
13 is subject to special assessment as historic property, the property’s maximum  
14 assessed value equals [*103 percent of the property’s assessed value from the*  
15 *prior year or*] 100 percent of the property’s maximum assessed value from the  
16 prior year[, *whichever is greater*].

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

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

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

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

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

29 “(5) Assessed value, as defined and determined under ORS 308.146, shall  
30 be determined for property classified as historic property by the county

1 assessor each year. The assessed value so determined for any year shall be  
2 subject to appeal to the county board of property tax appeals within the time  
3 and in the manner provided in ORS chapter 309 and shall be subject to ap-  
4 peal thereafter to the Oregon Tax Court and to the Oregon Supreme Court  
5 within the time and in the manner provided for appeals of value determi-  
6 nation for purposes of ad valorem property taxation.

7 **“SECTION 4.** ORS 358.540 is amended to read:

8 “358.540. (1) Property classified as historic property under ORS 358.487 to  
9 358.543 is entitled to any other exemption or special assessment provided by  
10 law.

11 “(2) Property that has been certified for special assessment under ORS  
12 358.490 and received special assessment under ORS 358.505 for 10 years, at  
13 the completion of the 10-year term, is disqualified from historic property  
14 special assessment.

15 “(3)(a) Notwithstanding subsection (2) of this section, following com-  
16 pletion of the initial 10-year period of historic property classification and  
17 disqualification under subsection (2) of this section, the owner of property  
18 classified as historic property may reapply under ORS 358.487 for one addi-  
19 tional 10-year period of special assessment under ORS 358.487 to 358.543.

20 “(b) Following completion of the second 10-year term of special assess-  
21 ment, the historic property is disqualified from historic property special as-  
22 sessment and is not again eligible for special assessment under ORS 358.487  
23 to 358.543.

24 “(4) An application filed under subsection (3) of this section must be filed  
25 in the manner provided under ORS 358.487 and be accompanied by a preser-  
26 vation plan detailing:

27 “(a) Improvements to the historic property that:

28 “(A) Promote compliance with the Americans with Disabilities Act;

29 “(B) Will result in seismic improvement; or

30 “(C) Will result in improvements in energy conservation or sustainability;

1 “(b) The costs associated with the improvements, which costs are in an  
2 amount not less than [10] **five** percent of the historic property’s real market  
3 value determined as of the date of the application filed under subsection (3)  
4 of this section; and

5 “(c) A schedule of the dates on which work on the improvements will be  
6 begun and completed.

7 “(5)(a) An application filed under subsection (3) of this section may be  
8 approved only upon a finding by the State Historic Preservation Officer that  
9 the preservation plan submitted with the application pursuant to subsection  
10 (4) of this section will, if implemented, result in a significant investment in  
11 the historic property that promotes compliance with Americans with Disa-  
12 bilities Act or that results in seismic improvements or improvements in en-  
13 ergy conservation or sustainability to the property.

14 “(b) For residential property, an application filed under subsection (3) of  
15 this section that is otherwise in compliance with the application require-  
16 ments may be approved only if a second term of historic property classifica-  
17 tion and special assessment is not prohibited under ORS 358.541.

18 “(6) An application for a second 10-year period of special assessment as  
19 historical property shall be certified in accordance with ORS 358.490.

20 “(7) A determination under ORS 358.490 with respect to an application for  
21 a second 10-year period of special assessment as historical property is subject  
22 to the notice, certification and filing requirements and review rights de-  
23 scribed in ORS 358.495.

24 “(8) The owner of property certified for a second 10-year period of special  
25 assessment under this section is subject to the reporting requirements under  
26 ORS 358.500.

27 “(9) Property certified for a second 10-year period of special assessment  
28 under this section is subject to penalties upon disqualification as provided  
29 by ORS 358.525.

30 **“SECTION 5. The amendments to ORS 358.505 and 358.540 by**

1 sections 3 and 4 of this 2022 Act apply to property first granted an in-  
2 itial or second 10-year period of special assessment as historic property  
3 for property tax years beginning on or after July 1, 2023.

4 SECTION 6. This 2022 Act takes effect on the 91st day after the  
5 date on which the 2022 regular session of the Eighty-first Legislative  
6 Assembly adjourns sine die.”

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