

D R A F T

SUMMARY

Digest: The Act would change the constitutional property tax laws that deal with maximum assessed value and local option taxes. It takes effect only if the people vote for it. (Flesch Readability Score: 60.8).

Proposes amendments to the Oregon Constitution providing that, for purposes of ad valorem property taxation, maximum assessed value shall be reassessed upon the sale of property, the ratio of maximum assessed value to real market value of property may not be less than 0.75, and the maximum number of years for which a local option tax may be passed are extended and the tax is not subject to compression under Ballot Measure 5 (1990).

Refers the proposed amendments to the people for their approval or rejection at the next regular general election.

JOINT RESOLUTION

Be It Resolved by the Legislative Assembly of the State of Oregon:

PARAGRAPH 1. The Constitution of the State of Oregon is amended by creating new sections 11m, 11n and 11o to be added to and made a part of Article XI, and by amending sections 11 and 11e, Article XI, such sections to read:

Sec. 11. (1)(a) For the tax year beginning July 1, 1997, each unit of property in this state shall have a maximum assessed value for ad valorem property tax purposes that does not exceed the property's real market value for the tax year beginning July 1, 1995, reduced by 10 percent.

(b) For tax years beginning after July 1, 1997, the property's maximum assessed value shall not increase by more than three percent from the previous tax year.

(c) Notwithstanding paragraph (a) or (b) of this subsection, property shall be valued at the ratio of average maximum assessed value to average real

1 market value of property located in the area in which the property is located
2 that is within the same property class, if on or after July 1, 1995:

- 3 (A) The property is new property or new improvements to property;
- 4 (B) The property is partitioned or subdivided;
- 5 (C) The property is rezoned and used consistently with the rezoning;
- 6 (D) The property is first taken into account as omitted property;
- 7 (E) The property becomes disqualified from exemption, partial exemption
8 or special assessment; [*or*]

9 (F) A lot line adjustment is made with respect to the property, except that
10 the total assessed value of all property affected by a lot line adjustment shall
11 not exceed the total maximum assessed value of the affected property under
12 paragraph (a) or (b) of this subsection[.]; **or**

13 **(G) The property is the subject of a sale or other transfer trans-**
14 **action, as defined by law.**

15 (d) Property shall be valued under paragraph (c) of this subsection only
16 for the first tax year in which the changes described in paragraph (c) of this
17 subsection are taken into account following the effective date of this section.
18 For each tax year thereafter, the limits described in paragraph (b) of this
19 subsection apply.

20 (e) The Legislative Assembly shall enact laws that establish property
21 classes and areas sufficient to make a determination under paragraph (c) of
22 this subsection.

23 (f) Each property's assessed value shall not exceed the property's real
24 market value.

25 (g) There shall not be a reappraisal of the real market value used in the
26 tax year beginning July 1, 1995, for purposes of determining the property's
27 maximum assessed value under paragraph (a) of this subsection.

28 **(h)(A) Notwithstanding paragraphs (b) to (d) of this subsection and**
29 **subsection (2) of this section, for property tax years beginning on or**
30 **after July 1, 2027, the ratio of the maximum assessed value of property**
31 **to the real market value of the property, determined as of the assess-**

1 **ment date provided by law for the property tax year, may not be less**
2 **than 0.75. If such ratio is less than 0.75, the maximum assessed value**
3 **of the property shall be increased so that the ratio is equal to 0.75.**

4 **(B) Legislation enacted to implement the provisions of this para-**
5 **graph is not subject to the prohibition under section 1a, Article IX of**
6 **this Constitution, against declaring an emergency.**

7 (2) The maximum assessed value of property that is assessed under a
8 partial exemption or special assessment law shall be determined by applying
9 the percentage reduction of paragraph (a) and the limit of paragraph (b) of
10 subsection (1) of this section, or if newly eligible for partial exemption or
11 special assessment, using a ratio developed in a manner consistent with
12 paragraph (c) of subsection (1) of this section to the property's partially ex-
13 empt or specially assessed value in the manner provided by law. After dis-
14 qualification from partial exemption or special assessment, any additional
15 taxes authorized by law may be imposed, but in the aggregate may not exceed
16 the amount that would have been imposed under this section had the prop-
17 erty not been partially exempt or specially assessed for the years for which
18 the additional taxes are being collected.

19 (3)(a)(A) The Legislative Assembly shall enact laws to reduce the amount
20 of ad valorem property taxes imposed by local taxing districts in this state
21 so that the total of all ad valorem property taxes imposed in this state for
22 the tax year beginning July 1, 1997, is reduced by 17 percent from the total
23 of all ad valorem property taxes that would have been imposed under re-
24 pealed sections 11 and 11a of this Article (1995 Edition) and section 11b of
25 this Article but not taking into account Ballot Measure 47 (1996), for the tax
26 year beginning July 1, 1997.

27 (B) The ad valorem property taxes to be reduced under subparagraph (A)
28 of this paragraph are those taxes that would have been imposed under re-
29 pealed sections 11 or 11a of this Article (1995 Edition) or section 11b of this
30 Article, as modified by subsection (11) of this section, other than taxes de-
31 scribed in subsection (4), (5), (6) or (7) of this section, taxes imposed to pay

1 bonded indebtedness described in section 11b of this Article, as modified by
2 paragraph (d) of subsection (11) of this section, or taxes described in section
3 1c, Article IX of this Constitution.

4 (C) It shall be the policy of this state to distribute the reductions caused
5 by this paragraph so as to reflect:

6 (i) The lesser of ad valorem property taxes imposed for the tax year be-
7 ginning July 1, 1995, reduced by 10 percent, or ad valorem property taxes
8 imposed for the tax year beginning July 1, 1994;

9 (ii) Growth in new value under subparagraph (A), (B), (C), (D) or (E) of
10 paragraph (c) of subsection (1) of this section, as added to the assessment
11 and tax rolls for the tax year beginning July 1, 1996, or July 1, 1997 (or, if
12 applicable, for the tax year beginning July 1, 1995); and

13 (iii) Ad valorem property taxes authorized by voters to be imposed in tax
14 years beginning on or after July 1, 1996, and imposed according to that au-
15 thority for the tax year beginning July 1, 1997.

16 (D) It shall be the policy of this state and the local taxing districts of this
17 state to prioritize public safety and public education in responding to the
18 reductions caused by this paragraph while minimizing the loss of decision-
19 making control of local taxing districts.

20 (E) If the total value for the tax year beginning July 1, 1997, of additions
21 of value described in subparagraph (A), (B), (C), (D) or (E) of paragraph (c)
22 of subsection (1) of this section that are added to the assessment and tax
23 rolls for the tax year beginning July 1, 1996, or July 1, 1997, exceeds four
24 percent of the total assessed value of property statewide for the tax year
25 beginning July 1, 1997 (before taking into account the additions of value
26 described in subparagraph (A), (B), (C), (D) or (E) of paragraph (c) of sub-
27 section (1) of this section), then any ad valorem property taxes attributable
28 to the excess above four percent shall reduce the dollar amount of the re-
29 duction described in subparagraph (A) of this paragraph.

30 (b) For the tax year beginning July 1, 1997, the ad valorem property taxes
31 that were reduced under paragraph (a) of this subsection shall be imposed

1 on the assessed value of property in a local taxing district as provided by
2 law, and the rate of the ad valorem property taxes imposed under this para-
3 graph shall be the local taxing district's permanent limit on the rate of ad
4 valorem property taxes imposed by the district for tax years beginning after
5 July 1, 1997, except as provided in subsection (5) of this section.

6 (c)(A) A local taxing district that has not previously imposed ad valorem
7 property taxes and that seeks to impose ad valorem property taxes shall es-
8 tablish a limit on the rate of ad valorem property tax to be imposed by the
9 district. The rate limit established under this subparagraph shall be approved
10 by a majority of voters voting on the question. The rate limit approved under
11 this subparagraph shall serve as the district's permanent rate limit under
12 paragraph (b) of this subsection.

13 (B) The voter participation requirements described in subsection (8) of
14 this section apply to an election under this paragraph.

15 (d) If two or more local taxing districts seek to consolidate or merge, the
16 limit on the rate of ad valorem property tax to be imposed by the consol-
17 idated or merged district shall be the rate that would produce the same tax
18 revenue as the local taxing districts would have cumulatively produced in
19 the year of consolidation or merger, if the consolidation or merger had not
20 occurred.

21 (e)(A) If a local taxing district divides, the limit on the rate of ad valorem
22 property tax to be imposed by each local taxing district after division shall
23 be the same as the local taxing district's rate limit under paragraph (b) of
24 this subsection prior to division.

25 (B) Notwithstanding subparagraph (A) of this paragraph, the limit deter-
26 mined under this paragraph shall not be greater than the rate that would
27 have produced the same amount of ad valorem property tax revenue in the
28 year of division, had the division not occurred.

29 (f) Rates of ad valorem property tax established under this subsection may
30 be carried to a number of decimal places provided by law and rounded as
31 provided by law.

1 (g) Urban renewal levies described in this subsection shall be imposed as
2 provided in subsections (15) and (16) of this section and may not be imposed
3 under this subsection.

4 (h) Ad valorem property taxes described in this subsection shall be subject
5 to the limitations described in section 11b of this Article, as modified by
6 subsection (11) of this section.

7 (4)(a)(A) A local taxing district other than a school district may impose
8 a local option ad valorem property tax that exceeds the limitations imposed
9 under this section by submitting the question of the levy to voters in the
10 local taxing district and obtaining the approval of a majority of the voters
11 voting on the question.

12 (B) The Legislative Assembly may enact laws permitting a school district
13 to impose a local option ad valorem property tax as otherwise provided under
14 this subsection.

15 (b) A levy imposed pursuant to legislation enacted under this subsection
16 may be imposed for no more than five years, except that a levy for a capital
17 project may be imposed for no more than the lesser of the expected useful
18 life of the capital project or 10 years.

19 (c) The voter participation requirements described in subsection (8) of this
20 section apply to an election held under this subsection.

21 (5)(a) Any portion of a local taxing district levy shall not be subject to
22 reduction and limitation under paragraphs (a) and (b) of subsection (3) of
23 this section if that portion of the levy is used to repay:

24 (A) Principal and interest for any bond issued before December 5, 1996,
25 and secured by a pledge or explicit commitment of ad valorem property taxes
26 or a covenant to levy or collect ad valorem property taxes;

27 (B) Principal and interest for any other formal, written borrowing of
28 moneys executed before December 5, 1996, for which ad valorem property tax
29 revenues have been pledged or explicitly committed, or that are secured by
30 a covenant to levy or collect ad valorem property taxes;

31 (C) Principal and interest for any bond issued to refund an obligation

1 described in subparagraph (A) or (B) of this paragraph; or

2 (D) Local government pension and disability plan obligations that commit
3 ad valorem property taxes and to ad valorem property taxes imposed to fulfill
4 those obligations.

5 (b)(A) A levy described in this subsection shall be imposed on assessed
6 value as otherwise provided by law in an amount sufficient to repay the debt
7 described in this subsection. Ad valorem property taxes may not be imposed
8 under this subsection that repay the debt at an earlier date or on a different
9 schedule than established in the agreement creating the debt.

10 (B) A levy described in this subsection shall be subject to the limitations
11 imposed under section 11b of this Article, as modified by subsection (11) of
12 this section.

13 (c)(A) As used in this subsection, “local government pension and disabil-
14 ity plan obligations that commit ad valorem property taxes” is limited to
15 contractual obligations for which the levy of ad valorem property taxes has
16 been committed by a local government charter provision that was in effect
17 on December 5, 1996, and, if in effect on December 5, 1996, as amended
18 thereafter.

19 (B) The rates of ad valorem property taxes described in this paragraph
20 may be adjusted so that the maximum allowable rate is capable of raising
21 the revenue that the levy would have been authorized to raise if applied to
22 property valued at real market value.

23 (C) Notwithstanding subparagraph (B) of this paragraph, ad valorem
24 property taxes described in this paragraph shall be taken into account for
25 purposes of the limitations in section 11b of this Article, as modified by
26 subsection (11) of this section.

27 (D) If any proposed amendment to a charter described in subparagraph (A)
28 of this paragraph permits the ad valorem property tax levy for local gov-
29 ernment pension and disability plan obligations to be increased, the amend-
30 ment must be approved by voters in an election. The voter participation
31 requirements described in subsection (8) of this section apply to an election

1 under this subparagraph. No amendment to any charter described in this
2 paragraph may cause ad valorem property taxes to exceed the limitations of
3 section 11b of this Article, as amended by subsection (11) of this section.

4 (d) If the levy described in this subsection was a tax base or other per-
5 manent continuing levy, other than a levy imposed for the purpose described
6 in subparagraph (D) of paragraph (a) of this subsection, prior to the effective
7 date of this section, for the tax year following the repayment of debt de-
8 scribed in this subsection the local taxing district's rate of ad valorem
9 property tax established under paragraph (b) of subsection (3) of this section
10 shall be increased to the rate that would have been in effect had the levy
11 not been excepted from the reduction described in subsection (3) of this sec-
12 tion. No adjustment shall be made to the rate of ad valorem property tax of
13 local taxing districts other than the district imposing a levy under this sub-
14 section.

15 (e) If this subsection would apply to a levy described in paragraph (d) of
16 this subsection, the local taxing district imposing the levy may elect out of
17 the provisions of this subsection. The levy of a local taxing district making
18 the election shall be included in the reduction and ad valorem property tax
19 rate determination described in subsection (3) of this section.

20 (6)(a) The ad valorem property tax of a local taxing district, other than
21 a city, county or school district, that is used to support a hospital facility
22 shall not be subject to the reduction described in paragraph (a) of subsection
23 (3) of this section. The entire ad valorem property tax imposed under this
24 subsection for the tax year beginning July 1, 1997, shall be the local taxing
25 district's permanent limit on the rate of ad valorem property taxes imposed
26 by the district under paragraph (b) of subsection (3) of this section.

27 (b) Ad valorem property taxes described in this subsection shall be subject
28 to the limitations imposed under section 11b of this Article, as modified by
29 subsection (11) of this section.

30 (7) Notwithstanding any other existing or former provision of this Con-
31 stitution, the following are validated, ratified, approved and confirmed:

1 (a) Any levy of ad valorem property taxes approved by a majority of vot-
2 ers voting on the question in an election held before December 5, 1996, if the
3 election met the voter participation requirements described in subsection (8)
4 of this section and the ad valorem property taxes were first imposed for the
5 tax year beginning July 1, 1996, or July 1, 1997. A levy described in this
6 paragraph shall not be subject to reduction under paragraph (a) of subsection
7 (3) of this section but shall be taken into account in determining the local
8 taxing district's permanent rate of ad valorem property tax under paragraph
9 (b) of subsection (3) of this section. This paragraph does not apply to levies
10 described in subsection (5) of this section or to levies to pay bonded indebt-
11 edness described in section 11b of this Article, as modified by subsection (11)
12 of this section.

13 (b) Any serial or one-year levy to replace an existing serial or one-year
14 levy approved by a majority of the voters voting on the question at an
15 election held after December 4, 1996, and to be first imposed for the tax year
16 beginning July 1, 1997, if the rate or the amount of the levy approved is not
17 greater than the rate or the amount of the levy replaced.

18 (c) Any levy of ad valorem property taxes approved by a majority of vot-
19 ers voting on the question in an election held on or after December 5, 1996,
20 and before the effective date of this section if the election met the voter
21 participation requirements described in subsection (8) of this section and the
22 ad valorem property taxes were first imposed for the tax year beginning July
23 1, 1997. A levy described in this paragraph shall be treated as a local option
24 ad valorem property tax under subsection (4) of this section. This paragraph
25 does not apply to levies described in subsection (5) of this section or to levies
26 to pay bonded indebtedness described in section 11b of this Article, as mod-
27 ified by subsection (11) of this section.

28 (8) An election described in subsection (3), (4), (5)(c)(D), (7)(a) or (c) or
29 (11) of this section shall authorize the matter upon which the election is
30 being held only if:

31 (a) At least 50 percent of registered voters eligible to vote in the election

1 cast a ballot; or

2 (b) The election is a general election in an even-numbered year.

3 (9) The Legislative Assembly shall replace, from the state's General Fund,
4 revenue lost by the public school system because of the limitations of this
5 section. The amount of the replacement revenue shall not be less than the
6 total replaced in fiscal year 1997-1998.

7 (10)(a) As used in this section:

8 (A) "Improvements" includes new construction, reconstruction, major ad-
9 ditions, remodeling, renovation and rehabilitation, including installation, but
10 does not include minor construction or ongoing maintenance and repair.

11 (B) "Ad valorem property tax" does not include taxes imposed to pay
12 principal and interest on bonded indebtedness described in paragraph (d) of
13 subsection (11) of this section.

14 (b) In calculating the addition to value for new property and improve-
15 ments, the amount added shall be net of the value of retired property.

16 (11) For purposes of this section and for purposes of implementing the
17 limits in section 11b of this Article in tax years beginning on or after July
18 1, 1997:

19 (a)(A) The real market value of property shall be the amount in cash that
20 could reasonably be expected to be paid by an informed buyer to an informed
21 seller, each acting without compulsion in an arm's length transaction oc-
22 ccurring as of the assessment date for the tax year, as established by law.

23 (B) The Legislative Assembly shall enact laws to adjust the real market
24 value of property to reflect a substantial casualty loss of value after the as-
25 sessment date.

26 (b) The \$5 (public school system) and \$10 (other government) limits on
27 property taxes per \$1,000 of real market value described in subsection (1) of
28 section 11b of this Article shall be determined on the basis of property taxes
29 imposed in each geographic area taxed by the same local taxing districts.

30 (c)(A) All property taxes described in this section are subject to the limits
31 described in paragraph (b) of this subsection, except for taxes described in

1 paragraph (d) of this subsection.

2 (B) If property taxes exceed the limitations imposed under either category
3 of local taxing district under paragraph (b) of this subsection:

4 (i) Any local option ad valorem property taxes imposed under this sub-
5 section shall be proportionally reduced by those local taxing districts within
6 the category that is imposing local option ad valorem property taxes; and

7 (ii) After local option ad valorem property taxes have been eliminated,
8 all other ad valorem property taxes shall be proportionally reduced by those
9 taxing districts within the category, until the limits are no longer exceeded.

10 (C) The percentages used to make the proportional reductions under sub-
11 paragraph (B) of this paragraph shall be calculated separately for each cat-
12 egory.

13 (d) Bonded indebtedness, the taxes of which are not subject to limitation
14 under this section or section 11b of this Article, consists of:

15 (A) Bonded indebtedness authorized by a provision of this Constitution;

16 (B) Bonded indebtedness issued on or before November 6, 1990; or

17 (C) Bonded indebtedness:

18 (i) Incurred for capital construction or capital improvements; and

19 (ii)(I) If issued after November 6, 1990, and approved prior to December
20 5, 1996, the issuance of which has been approved by a majority of voters
21 voting on the question; or

22 (II) If approved by voters after December 5, 1996, the issuance of which
23 has been approved by a majority of voters voting on the question in an
24 election that is in compliance with the voter participation requirements in
25 subsection (8) of this section.

26 (12) Bonded indebtedness described in subsection (11) of this section in-
27 cludes bonded indebtedness issued to refund bonded indebtedness described
28 in subsection (11) of this section.

29 (13) As used in subsection (11) of this section, with respect to bonded
30 indebtedness issued on or after December 5, 1996, “capital construction” and
31 “capital improvements”:

1 (a) Include public safety and law enforcement vehicles with a projected
2 useful life of five years or more; and

3 (b) Do not include:

4 (A) Maintenance and repairs, the need for which could reasonably be
5 anticipated.

6 (B) Supplies and equipment that are not intrinsic to the structure.

7 (14) Ad valorem property taxes imposed to pay principal and interest on
8 bonded indebtedness described in section 11b of this Article, as modified by
9 subsection (11) of this section, shall be imposed on the assessed value of the
10 property determined under this section or, in the case of specially assessed
11 property, as otherwise provided by law or as limited by this section, which-
12 ever is applicable.

13 (15) If ad valorem property taxes are divided as provided in section 1c,
14 Article IX of this Constitution, in order to fund a redevelopment or urban
15 renewal project, then notwithstanding subsection (1) of this section, the ad
16 valorem property taxes levied against the increase shall be used exclusively
17 to pay any indebtedness incurred for the redevelopment or urban renewal
18 project.

19 (16) The Legislative Assembly shall enact laws that allow collection of
20 ad valorem property taxes sufficient to pay, when due, indebtedness incurred
21 to carry out urban renewal plans existing on December 5, 1996. These col-
22 lections shall cease when the indebtedness is paid. Unless excepted from
23 limitation under section 11b of this Article, as modified by subsection (11)
24 of this section, nothing in this subsection shall be construed to remove ad
25 valorem property taxes levied against the increase from the dollar limits in
26 paragraph (b) of subsection (11) of this section.

27 (17)(a) If, in an election on November 5, 1996, voters approved a new tax
28 base for a local taxing district under repealed section 11 of this Article (1995
29 Edition) that was not to go into effect until the tax year beginning July 1,
30 1998, the local taxing district's permanent rate limit under subsection (3) of
31 this section shall be recalculated for the tax year beginning on July 1, 1998,

1 to reflect:

2 (A) Ad valorem property taxes that would have been imposed had repealed
3 section 11 of this Article (1995 Edition) remained in effect; and

4 (B) Any other permanent continuing levies that would have been imposed
5 under repealed section 11 of this Article (1995 Edition), as reduced by sub-
6 section (3) of this section.

7 (b) The rate limit determined under this subsection shall be the local
8 taxing district's permanent rate limit for tax years beginning on or after July
9 1, 1999.

10 (18) Section 32, Article I, and section 1, Article IX of this Constitution,
11 shall not apply to this section.

12 (19)(a) The Legislative Assembly shall by statute limit the ability of local
13 taxing districts to impose new or additional fees, taxes, assessments or other
14 charges for the purpose of using the proceeds as alternative sources of
15 funding to make up for ad valorem property tax revenue reductions caused
16 by the initial implementation of this section, unless the new or additional
17 fee, tax, assessment or other charge is approved by voters.

18 (b) This subsection shall not apply to new or additional fees, taxes, as-
19 sessments or other charges for a government product or service that a per-
20 son:

21 (A) May legally obtain from a source other than government; and

22 (B) Is reasonably able to obtain from a source other than government.

23 (c) As used in this subsection, "new or additional fees, taxes, assessments
24 or other charges" does not include moneys received by a local taxing district
25 as:

26 (A) Rent or lease payments;

27 (B) Interest, dividends, royalties or other investment earnings;

28 (C) Fines, penalties and unitary assessments;

29 (D) Amounts charged to and paid by another unit of government for pro-
30 ducts, services or property; or

31 (E) Payments derived from a contract entered into by the local taxing

1 district as a proprietary function of the local taxing district.

2 (d) This subsection does not apply to a local taxing district that derived
3 less than 10 percent of the local taxing district's operating revenues from
4 ad valorem property taxes, other than ad valorem property taxes imposed to
5 pay bonded indebtedness, during the fiscal year ending June 30, 1996.

6 (e) An election under this subsection need not comply with the voter
7 participation requirements described in subsection (8) of this section.

8 (20) If any provision of this section is determined to be unconstitutional
9 or otherwise invalid, the remaining provisions shall continue in full force
10 and effect.

11 **SECTION 11m. (1) The limitations of sections 11 and 11b of this**
12 **Article do not apply to a local option ad valorem property tax imposed**
13 **under this section.**

14 **(2)(a) A local taxing district may impose a local option ad valorem**
15 **property tax under this section by submitting the question of the levy**
16 **to the voters in the local taxing district at an election held pursuant**
17 **to the laws of this state and obtaining the approval of a majority of**
18 **the voters voting on the question.**

19 **(b)(A) A local taxing district may impose a levy pursuant to this**
20 **section for no more than 10 years.**

21 **(B) A local taxing district may submit the question of renewal of a**
22 **levy imposed under this section to the voters in the local taxing dis-**
23 **trict at an election held pursuant to the laws of this state within two**
24 **years of the expiration of the levy that the local taxing district seeks**
25 **to renew.**

26 **(C) For any question of a levy submitted to the voters of a local**
27 **taxing district, including renewal of a levy, the local taxing district**
28 **must include in the question a statement setting forth the length of**
29 **time for which the levy will be imposed and a statement that taxes**
30 **paid under the levy will not be reduced by operation of the limits in**
31 **section 11b of this Article.**

1 **(3) Notwithstanding subsection (1) of this section, the maximum**
2 **assessed value of property in this state for a local option ad valorem**
3 **property tax imposed under this section is determined under sub-**
4 **section (1) of section 11 of this Article.**

5 **(4) Section 32, Article I, and section 1, Article IX of this Constitu-**
6 **tion, do not apply to this section.**

7 **SECTION 11n. (1) Notwithstanding paragraph (h) of subsection (1)**
8 **of section 11 of this Article:**

9 **(a) For the property tax year beginning on July 1, 2027, if the ratio**
10 **of the maximum assessed value of property to the real market value**
11 **of the property is less than 0.75, the maximum assessed value of the**
12 **property shall be increased so that the difference between the ratio**
13 **as determined for the property and 0.75 is reduced by 20 percent.**

14 **(b) For the property tax year beginning on July 1, 2028, if the ratio**
15 **of the maximum assessed value of property to the real market value**
16 **of the property is less than 0.75, the maximum assessed value of the**
17 **property shall be increased so that the difference between the ratio**
18 **as determined for the property and 0.75 is reduced by 40 percent.**

19 **(c) For the property tax year beginning on July 1, 2029, if the ratio**
20 **of the maximum assessed value of property to the real market value**
21 **of the property is less than 0.75, the maximum assessed value of the**
22 **property shall be increased so that the difference between the ratio**
23 **as determined for the property and 0.75 is reduced by 60 percent.**

24 **(d) For the property tax year beginning on July 1, 2030, if the ratio**
25 **of the maximum assessed value of property to the real market value**
26 **of the property is less than 0.75, the maximum assessed value of the**
27 **property shall be increased so that the difference between the ratio**
28 **as determined for the property and 0.75 is reduced by 80 percent.**

29 **(e) For property tax years beginning on or after July 1, 2031, prop-**
30 **erty shall be assessed as provided under paragraph (h) of subsection**
31 **(1) of section 11 of this Article.**

1 **(2) This section is repealed on January 2, 2033.**

2 **SECTION 11o. (1) Section 11n of this Article applies to property tax**
3 **years beginning on or after July 1, 2027.**

4 **(2) This section is repealed on January 2, 2029.**

5 **Sec. 11e.** If any portion, clause or phrase of sections 11b to 11e **or sec-**
6 **tion 11m** of this Article is for any reason held to be invalid or unconstitu-
7 tional by a court of competent jurisdiction, the remaining portions, clauses
8 and phrases [*shall not be*] **are not** affected [*but*] **and** shall remain in full
9 force and effect.

10

11 **PARAGRAPH 2. The amendment proposed by this resolution shall**
12 **be submitted to the people for their approval or rejection at the next**
13 **regular general election held throughout this state.**

14
