

SB 919 A STAFF MEASURE SUMMARY
Senate Committee On Finance and Revenue

Prepared By: Beau Olen, Economist

Meeting Dates: 4/26

WHAT THE MEASURE DOES:

Provides, following filing of annual claim, property tax exemption for up to 5 years for newly constructed accessory dwelling unit, or single-family dwelling newly converted to multi-unit dwelling, used as occupant's primary residence. Applies to property tax years beginning on or after July 1, 2024. Takes effect 91st day after sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Following construction of new property or new improvements to property, including construction of an accessory dwelling unit (ADU) or multi-unit dwelling, the entire property may be subject to a recalculation of the maximum assessed value (MAV). The recalculation of MAV is necessary to count the value of the new property or new improvements for property tax purposes. Recalculation of the MAV is not necessary for improvements to property of \$10,000 per assessment year or \$25,000 over five years, which constitute "minor construction".