

**A-Engrossed**  
**House Bill 2507**

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

Sponsored by Representative NATHANSON; Representative HOLVEY, Senator SOLLMAN (at the request of UA Local 290 Plumbers and Steamfitters) (Pre-session filed.)

**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.

*[Allows exception to requirement for property tax exemption that property of industry apprenticeship or training trust be actually and exclusively occupied and used for purposes of industry apprenticeship or training trust for occasional use by corporation exempt from federal income tax for purposes for which corporation is granted federal exemption.]*

**Expands property tax exemption for property of industry apprenticeship or training trust that is 501(c)(3) corporation to allow for occasional use of property by another 501(c)(3) corporation for purposes for which other corporation is granted exemption from federal income tax.**

Takes effect on 91st day following adjournment sine die.

**A BILL FOR AN ACT**

1  
2 Relating to property tax exemption; creating new provisions; amending ORS 305.842 and 307.580; and  
3 prescribing an effective date.

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

5 **SECTION 1.** ORS 307.580 is amended to read:

6 307.580. (1) If not otherwise exempt by law and upon compliance with ORS 307.162, all real and  
7 personal property or *[proportion thereof]* **portion of the property** owned or being purchased by an  
8 industry apprenticeship or training trust is exempt from property taxation if:

9 (a) The trust is organized pursuant to a trust instrument solely for the purpose of aiding or as-  
10 sisting in the implementation or operation of one or more apprenticeship or training programs that  
11 conform to and are conducted under ORS 660.002 to 660.210;

12 (b) The property or *[proportion thereof]* **portion of the property** that is the subject of the ex-  
13 emption is actually and exclusively occupied and used in the implementation or operation of an ap-  
14 prenticeship or training program or programs that are established under, conform to and are  
15 conducted under ORS 660.002 to 660.210; and

16 (c) The trust is considered an organization exempt from federal income taxes under the federal  
17 Internal Revenue Code or other laws of the United States relating to federal income taxes.

18 (2) If property described under subsection (1) of this section would be exempt from taxation ex-  
19 cept that it is held under lease or lease-purchase agreement by the trust rather than owned or being  
20 purchased by it, the property shall be exempt from taxation upon compliance with and subject to  
21 ORS 307.112.

22 **(3)(a) Property may be deemed to be actually and exclusively occupied and used as re-**  
23 **quired under subsection (1)(b) of this section if the property is:**

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

1 (A) Owned or being purchased by an industry apprenticeship or training trust that is a  
2 corporation described in section 501(c)(3) of the Internal Revenue Code that is exempt from  
3 income taxation under section 501(a) of the Internal Revenue Code; and

4 (B) Occupied and used:

5 (i) By another corporation described in section 501(c)(3) of the Internal Revenue Code  
6 that is exempt from income taxation under section 501(a) of the Internal Revenue Code;

7 (ii) For the purposes for which the other corporation is granted the federal exemption;  
8 and

9 (iii) For no more than seven consecutive days, or 30 cumulative days, in any property tax  
10 year.

11 (b) This subsection applies to property regardless of whether the corporation described  
12 in paragraph (a)(B) of this subsection makes a rental payment for the occupancy or use of  
13 the property.

14 [(3)] (4) No exemption shall be allowed under subsection (1) or (2) of this section if the property  
15 is used in the implementation or operation of an apprenticeship or training program that discrimi-  
16 nates with respect to its participants on the basis of age, race, religion, sex or national origin.

17 **SECTION 2.** ORS 305.842, as amended by section 17, chapter 83, Oregon Laws 2022, is amended  
18 to read:

19 305.842. (1) As used in ORS 307.130, 307.147, **307.580**, 308A.450, 310.140 and 310.800, “Internal  
20 Revenue Code” means the federal Internal Revenue Code as amended and in effect on December 31,  
21 2021.

22 (2) As used in ORS 311.666, “Internal Revenue Code” means the federal Internal Revenue Code  
23 as amended and in effect on December 31, 2021, including amendments that take effect after that  
24 date.

25 **SECTION 3.** The amendments to ORS 305.842 and 307.580 by sections 1 and 2 of this 2023  
26 Act apply to property tax years beginning on or after July 1, 2023.

27 **SECTION 4.** This 2023 Act takes effect on the 91st day after the date on which the 2023  
28 regular session of the Eighty-second Legislative Assembly adjourns sine die.

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