

House Bill 2629

Sponsored by Representative LEVY B, Senator HANSELL, Representative HIEB; Representative SCHARF, Senators KNOPP, THATCHER, WEBER (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 **as introduced**.

Lowers disability threshold for property tax exemption for homestead or personal property of veterans to 10 percent.

Applies to property tax years beginning on or after July 1, 2023.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to tax exemption for the property of veterans; creating new provisions; amending ORS
3 307.250 and 307.262; and prescribing an effective date.

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

5 **SECTION 1.** ORS 307.250 is amended to read:

6 307.250. (1) As used in this section and ORS 307.260, 307.262 and 307.270, "veteran" has the
7 meaning given that term in ORS 408.225.

8 (2) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed
9 \$15,000 of the assessed value of the homestead or personal property of any of the following residents
10 of this state other than those described in subsection (3) of this section:

11 (a) Any veteran who is officially certified by the United States Department of Veterans Affairs
12 or any branch of the Armed Forces of the United States as having disabilities of [40] 10 percent or
13 more.

14 (b) Any veteran having served with the United States Armed Forces who, as certified by one
15 duly licensed physician or naturopathic physician, is rated as having disabilities of [40] 10 percent
16 or more. However, a veteran shall be entitled to the exemption granted under this paragraph only
17 if the veteran during the calendar year immediately preceding the assessment year for which the
18 exemption is claimed had total gross income, including pensions, disability compensation or retire-
19 ment pay, or any combination of such payments from the United States Government on account of
20 such service, of not more than 185 percent of federal poverty guidelines.

21 (c) The surviving spouse remaining unmarried of a veteran, but the exemption shall apply only
22 to the period preceding the date of the first remarriage of the surviving spouse.

23 (3) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed
24 \$18,000 of the assessed value of the homestead or personal property of any of the following residents
25 of this state:

26 (a) Any veteran who is officially certified by the United States Department of Veterans Affairs
27 or any branch of the Armed Forces of the United States as having service-connected disabilities of
28 [40] 10 percent or more.

29 (b) The surviving spouse remaining unmarried of a veteran, if the veteran died as a result of
30 service-connected injury or illness or if the veteran received at least one year of the maximum ex-

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 exemption from taxation allowed under paragraph (a) of this subsection after 1981 for a veteran cer-
 2 tified as having service-connected disabilities of [40] 10 percent or more.

3 (4) The amount of the exemption allowed under subsection (2) or (3) of this section shall equal
 4 103 percent of the amount of the exemption for the prior tax year.

5 **SECTION 2.** ORS 307.262 is amended to read:

6 307.262. (1) Notwithstanding ORS 307.260, if a veteran receives notice of certification from the
 7 United States Department of Veterans Affairs or any branch of the Armed Forces of the United
 8 States that the veteran has disabilities of [40] 10 percent or more as of a date set forth in the cer-
 9 tification, the veteran may obtain the exemption set forth in ORS 307.250 for each tax year following
 10 the date of certified disability.

11 (2) A veteran seeking to obtain an exemption under ORS 307.250 pursuant to this section must
 12 file a claim for exemption with the county assessor within six months of the date the federal gov-
 13 ernment agency notifies the veteran of the certified disability.

14 (3) Notwithstanding subsection (1) of this section, a veteran may not receive an exemption under
 15 ORS 307.250 for a tax year that is more than three tax years prior to the tax year in which a claim
 16 is filed under this section.

17 (4) If the county assessor determines that a veteran who has filed a claim under this section
 18 meets the requirements of ORS 307.250 for a tax year prior to the current tax year, property taxes
 19 collected on the exempt amount for the prior tax year, together with interest at the rate set forth
 20 in ORS 311.812, shall be refunded to the veteran. Refunds shall be made from the refund reserve
 21 account established under ORS 311.807.

22 **SECTION 3. The amendments to ORS 307.250 and 307.262 by sections 1 and 2 of this 2023**
 23 **Act apply to property tax years beginning on or after July 1, 2023.**

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