

Requested by Senator JAMA

**PROPOSED AMENDMENTS TO
SENATE BILL 919**

1 In line 2 of the printed bill, after “housing” insert “; and prescribing an
2 effective date”.

3 Delete lines 4 through 8 and insert:

4 **“SECTION 1. (1)(a) For purposes of ad valorem property taxation,
5 property of an owner, lessee or other person responsible for paying the
6 taxes on the property is eligible for exemption under this section if the
7 property is:**

8 **“(A)(i) A newly constructed accessory dwelling unit as defined in
9 ORS 215.501; or**

10 **“(ii) A duplex, triplex or quadplex that has been newly converted
11 from a single-family dwelling; and**

12 **“(B) During the period of the exemption:**

13 **“(i) Used as the occupant’s primary residence; and**

14 **“(ii) Not rented out for consideration as transient lodging for any
15 duration.**

16 **“(b) For purposes of this section, property shall be considered newly
17 constructed or newly converted if, following the completion of the
18 construction or conversion, a certificate of occupancy was issued for
19 the property at any time within the 12-month period immediately
20 preceding the date on which a claim for the exemption is first filed
21 under subsection (3) of this section.**

1 “(c) Eligible property shall be exempt from taxation for an initial
2 property tax year and not more than the four succeeding property tax
3 years.

4 “(2) A claim for exemption under this section for eligible property
5 must:

6 “(a) Be in writing on a form supplied by the Department of Reve-
7 nue;

8 “(b) Describe the property;

9 “(c) Recite all facts establishing the eligibility of the property for
10 the exemption; and

11 “(d) Have attached:

12 “(A) Any information or documentation required by the depart-
13 ment; and

14 “(B) A written declaration by the claimant, subject to penalties for
15 false swearing, that the statements contained in the claim are true.

16 “(3)(a) A claim for an initial year of the exemption granted under
17 this section must be filed with the assessor of the county in which the
18 eligible property is located:

19 “(A) If the certificate of occupancy for the eligible property is is-
20 sued on or after July 1 and on or before March 1 of the immediately
21 succeeding calendar year, after January 1 and on or before April 1
22 immediately preceding the property tax year for which the exemption
23 is claimed; or

24 “(B) If the certificate of occupancy is issued after March 1 and be-
25 fore July 1, after April 1 immediately preceding the property tax year
26 for which the exemption is claimed and on or before August 1 of the
27 property tax year for which the exemption is claimed.

28 “(b) Claims for the succeeding years of the exemption must be filed
29 annually with the county assessor after January 1 and on or before
30 April 1 immediately preceding the property tax year for which the ex-

1 exemption is claimed.

2 “(4) Any person aggrieved by the denial of a claim for exemption
3 under this section may appeal to the Oregon Tax Court in the manner
4 provided under ORS 305.404 to 305.560.

5 “(5) Each year that eligible property is granted exemption, the
6 county assessor shall enter on the assessment and tax roll that the
7 eligible property is subject to potential additional taxes as provided
8 under subsection (8) of this section, by adding the notation ‘potential
9 additional taxes.’

10 “(6) If eligible property is transferred to new ownership within the
11 five-year period of the exemption, the exemption may continue for the
12 remaining number of years granted if:

13 “(a) The property continues to qualify as eligible property described
14 in subsection (1) of this section; and

15 “(b) Timely claims are filed under subsection (3) of this section.

16 “(7) Upon the earlier of the expiration of the five-year period of
17 exemption granted under this section, or the addition of new property
18 or new improvements as defined in ORS 308.149 to the tax account of
19 the eligible property, the eligible property shall have for the imme-
20 diately succeeding property tax year the assessed value the property
21 would have had if it had never been granted the exemption and shall
22 be assessed and taxed as other property similarly situated is assessed
23 and taxed.

24 “(8)(a) Paragraph (b) of this subsection applies if, as of January 1
25 of any assessment year within the five-year period of the exemption,
26 the eligible property:

27 “(A) Is no longer occupied as the primary residence of any individ-
28 ual; or

29 “(B) Has been rented out for consideration as transient lodging for
30 any duration.

1 **“(b) Upon discovery or notice from the taxpayer that a circum-**
2 **stance listed in paragraph (a) of this section has occurred, the county**
3 **assessor shall:**

4 **“(A) Immediately terminate the property’s exemption;**

5 **“(B) Assess and tax the property as other property similarly situ-**
6 **ated is assessed and taxed; and**

7 **“(C) Notwithstanding ORS 311.235, add to the general property tax**
8 **roll for the property tax year next following the date of termination,**
9 **to be collected and distributed in the same manner as other ad**
10 **valorem property taxes, an amount equal to the difference between the**
11 **taxes assessed against the eligible property during the period of the**
12 **exemption and the taxes that would have been assessed against the**
13 **property if it had never been granted the exemption, for each of the**
14 **years for which the eligible property was granted the exemption.**

15 **“(c) Additional taxes collected under this section shall be deemed**
16 **to have been imposed in the year to which the additional taxes relate.**

17 **“(9) The exemption granted under this section is in addition to and**
18 **not in lieu of any other property tax limit, exemption or partial ex-**
19 **emption, special assessment or deferral.**

20 **“(10) ORS 315.037 does not apply to this section.**

21 **“SECTION 2. Section 1 of this 2023 Act applies to property tax years**
22 **beginning on or after July 1, 2024.**

23 **“SECTION 3. This 2023 Act takes effect on the 91st day after the**
24 **date on which the 2023 regular session of the Eighty-second Legislative**
25 **Assembly adjourns sine die.”.**

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