

Requested by Senator THATCHER

**PROPOSED AMENDMENTS TO
SENATE BILL 884**

1 On page 1 of the printed bill, delete lines 5 through 30.

2 Delete pages 2 through 4 and insert:

3 **“SECTION 1.** ORS 307.250 is amended to read:

4 “307.250. (1) As used in [*this section and ORS 307.260, 307.262 and*
5 *307.270,*] **ORS 307.250 to 307.280:**

6 **“(a) ‘Surviving spouse of a veteran’ means a veteran’s surviving**
7 **spouse who has not remarried.**

8 **“(b) ‘Veteran’** has the meaning given that term in ORS 408.225.

9 “(2) Upon compliance with ORS 307.260, there shall be exempt from tax-
10 ation not to exceed [*\$15,000*] **\$60,000** of the assessed value of the homestead
11 or personal property of any of the following residents of this state other than
12 those described in subsection (3) **or** (4) of this section:

13 “(a) Any veteran who is officially certified by the United States Depart-
14 ment of Veterans Affairs or any branch of the Armed Forces of the United
15 States as having disabilities of 40 percent or more.

16 “(b) Any veteran having served with the United States Armed Forces who,
17 as certified by one duly licensed physician or naturopathic physician, is
18 rated as having disabilities of 40 percent or more. [*However, a veteran shall*
19 *be entitled to the exemption granted under this paragraph only if the veteran*
20 *during the calendar year immediately preceding the assessment year for which*
21 *the exemption is claimed had total gross income, including pensions, disability*

1 compensation or retirement pay, or any combination of such payments from the
2 United States Government on account of such service, of not more than 185
3 percent of federal poverty guidelines.]

4 “[c) The surviving spouse remaining unmarried of a veteran, but the ex-
5 emption shall apply only to the period preceding the date of the first remar-
6 riage of the surviving spouse.]

7 **“(c) The surviving spouse of a veteran.**

8 **“(3) Upon compliance with ORS 307.260, there shall be exempt from tax-
9 ation not to exceed [~~\$18,000~~] **\$65,000** of the assessed value of the homestead
10 or personal property of any of the following residents of this state:**

11 **“(a) Any veteran who is officially certified by the United States Depart-
12 ment of Veterans Affairs or any branch of the Armed Forces of the United
13 States as having service-connected disabilities of **at least** 40 percent [*or
14 more*] **but less than 100 percent.****

15 **“(b) The surviving spouse [*remaining unmarried*] of a veteran **described
16 in paragraph (a) of this subsection**, if the veteran died as a result of
17 service-connected injury or illness or if the veteran received at least one year
18 of the maximum exemption from taxation [*allowed*] **granted** under [*para-
19 graph (a) of*] this subsection after 1981 for a veteran certified as having
20 service-connected disabilities of **at least** 40 percent [*or more*] **but less than
21 100 percent.****

22 **“(4) Upon compliance with ORS 307.260, there shall be exempt from
23 taxation not to exceed \$150,000 of the assessed value of the homestead
24 or personal property of any of the following residents of this state:**

25 **“(a) Any veteran who is officially certified by the United States
26 Department of Veterans Affairs or any branch of the Armed Forces
27 of the United States as having:**

28 **“(A) A service-connected disability of 100 percent; or**

29 **“(B) More than one service-connected disability, the ratings of
30 which, if added together, would equal 100 percent or more.**

1 **“(b) The surviving spouse of a veteran described in paragraph (a)**
2 **of this subsection, if the veteran died as a result of service-connected**
3 **injury or illness or if the veteran received at least one year of the**
4 **maximum exemption from taxation granted under this subsection af-**
5 **ter 2022 for a veteran certified as having service-connected disabilities**
6 **described in this subsection.**

7 **“[(4)] (5) The amount of the exemption [allowed] granted** under sub-
8 section (2), [or] (3) **or (4) of this section shall equal 103 percent of the**
9 **amount of the exemption for the prior tax year.**

10 **“(6)(a) The homestead or personal property of any residents of this**
11 **state described in paragraph (b) of this subsection shall be exempt**
12 **from taxation under paragraph (c) of this subsection.**

13 **“(b) The residents referred to in paragraph (a) of this subsection**
14 **are:**

15 **“(A) Any veteran who:**

16 **“(i) Is officially certified by the United States Department of Vet-**
17 **erans Affairs or any branch of the Armed Forces of the United States**
18 **as having a service-connected disability of 100 percent or as having**
19 **more than one service-connected disability, the ratings of which, if**
20 **added together, would equal 100 percent or more; and**

21 **“(ii) Meets the criteria of the United States Department of Veterans**
22 **Affairs for unemployability.**

23 **“(B) The surviving spouse of a veteran, if the veteran died as a re-**
24 **sult of service-connected injury or illness or if the veteran received**
25 **at least one year of the maximum exemption from taxation under**
26 **paragraph (c) this subsection after 2022 for a veteran certified as hav-**
27 **ing service-connected disabilities described in subparagraph (A) of this**
28 **paragraph.**

29 **“(c) If the property taxes assessed on the homestead or personal**
30 **property of a resident described in paragraph (b) of this subsection for**

1 the current property tax year exceeds 14 percent of the resident's
2 taxable income for the preceding tax year, upon compliance with ORS
3 307.260, the property shall be 90 percent exempt for the next succeeding
4 property tax year.

5 “(d) The individual claiming the exemption under this subsection
6 must include the individual's income tax return for the preceding tax
7 year.

8 “(7)(a) The county assessor shall compute and list the value and
9 compute and list the amount of property taxes that would have been
10 charged on each property receiving an exemption under subsection (4)
11 or (6) of this section had the property not received an exemption. On
12 or before October 15, the county assessor shall certify the total
13 amounts so computed for each county to the Department of Veterans'
14 Affairs and to the county treasurer.

15 “(b) Not later than November 15, the department shall pay to each
16 county treasurer the amount certified under paragraph (a) of this
17 subsection, less any discount provided under ORS 311.505.

18 “(c) Payments made by the department to the county treasurers
19 under this subsection shall be distributed to the taxing districts of the
20 county in accordance with the schedule of percentages computed un-
21 der ORS 311.390.

22 “(8) An exemption granted under this section to the property of a
23 surviving spouse of a veteran applies solely to the period preceding the
24 date of the first remarriage of the surviving spouse of a veteran and
25 ends on the date of remarriage.

26 “**SECTION 2.** ORS 307.260 is amended to read:

27 “307.260. (1)(a) Each veteran or surviving spouse **of a veteran** [*qualifying*
28 *for*] **seeking** the exemption under ORS 307.250 [*shall*] **must** file with the
29 county assessor, on forms supplied by the assessor, a claim [*therefor*] **for**
30 **exemption** in writing on or before April 1 of the assessment year for which

1 the exemption is claimed, except that when the property designated is ac-
2 quired after March 1 but prior to July 1 the claim [*shall*] **must** be filed
3 within 30 days after the date of acquisition.

4 “(b) A claim [*need not be filed under this section in order to be allowed*]
5 **for** the exemption described in ORS 307.250 **is not required** if:

6 “(A) The homestead or personal property of the veteran or surviving
7 spouse **of a veteran** was [*allowed*] **granted** the exemption under ORS 307.250
8 for the preceding tax year;

9 “(B) The individual claiming the exemption is a veteran described in ORS
10 307.250 (2)(a), [*or*] (3)(a) **or (4)(a)** or a surviving spouse **of a veteran** who
11 meets the requirements of ORS 307.250 (2)(c), [*or*] (3)(b) **or (4)(b) or has**
12 **complied with subsection (4) of this section**; and

13 “(C) As of the filing date for the current tax year, the ownership and use
14 of the homestead or personal property and all other [*qualifying*] conditions
15 **of eligibility** for the homestead or personal property to be [*allowed*] **granted**
16 the exemption remain unchanged.

17 “(c)(A) If the individual claiming the exemption is a veteran described in
18 ORS 307.250 (2)(b), the claimant [*shall*] **must** file a claim annually that sat-
19 isfies the requirements of subsection (2) of this section on or before the date
20 required in paragraph (a) of this subsection.

21 “(B) If the county assessor has not received a claim filed under this par-
22 agraph on or before April 1 of the current year, not later than April 10 of
23 each year, the county assessor shall notify the veteran in the county who
24 [*secured*] **was granted** an exemption under ORS 307.250 (2)(b) in the preced-
25 ing year but who did not [*make application therefor*] **file a claim for the**
26 **exemption** on or before April 1 of the current year. The county assessor
27 may provide the notification on an unsealed postal card. A veteran so noti-
28 fied may [*secure*] **be granted** the exemption, if still [*qualified*] **eligible**, by
29 [*making application therefor to*] **filing a claim for the exemption with** the
30 county assessor not later than May 1 of the current year, accompanied by

1 a late-filing fee of \$10, which shall be deposited in the general fund of the
2 county for general governmental expenses. If the claim for any tax year is
3 not filed within the time specified, the exemption may not be *[allowed]*
4 **granted** on the assessment roll for that year.

5 “(2)(a) *[The claim shall]* **A claim filed under this section must** set out
6 the basis of the claim and designate the property to which the exemption
7 may apply. Except as provided in subsection (3) of this section, **there must**
8 **be affixed to** claims for *[exemptions]* **exemption** under ORS 307.250 (2)(a),
9 *[and]* (3)(a) **and (4)(a)** *[shall have affixed thereto]* the certificate last issued
10 by United States Department of Veterans Affairs or the branch of the Armed
11 Forces of the United States, as *[the case may be]* **applicable**, but dated within
12 three years prior to the date of the claim for exemption, certifying the rate
13 of disability of the claimant.

14 “(b) **Except as provided in subsection (3) of this section, there must**
15 **be affixed to** claims for exemption under ORS 307.250 (2)(b) *[shall, except*
16 *as provided in subsection (3) of this section, have affixed thereto, in addition*
17 *to]* the certificate last issued by a licensed physician or naturopathic physi-
18 cian and dated within one year prior to the date of the claim for exemption,
19 certifying the rate of disability of the claimant¹, *[a statement by the claimant*
20 *under oath or affirmation setting forth the total gross income received by the*
21 *claimant from all sources during the last calendar year]*.

22 “(c) There **must** also *[shall]* be affixed to each claim the affidavit or af-
23 firmation of the claimant that the statements contained *[therein]* **in the**
24 **claim** are true.

25 “(3) The provisions of subsection (2) of this section that require a veteran
26 to affix to the claim certificates of the United States Department of Veterans
27 Affairs, a branch of the Armed Forces of the United States or a licensed
28 physician or naturopathic physician do not apply to a veteran who has filed
29 the required certificate after attaining the age of 65 years or to a veteran
30 who has filed, on or after September 27, 1987, a certificate certifying a disa-

1 bility rating that, under federal law, is permanent and cannot be changed.

2 “(4)(a) Notwithstanding subsection (1) of this section, a surviving spouse
3 **of a veteran may elect, at any time during the tax year, [file a claim for**
4 *the] to continue an* exemption under ORS 307.250 [*at any time during the*
5 *tax year] without filing a new claim* if:

6 “(A) The veteran died during the previous tax year; or

7 “(B) The property designated as the homestead was acquired after March
8 1 but prior to July 1 of the assessment year and the veteran died within 30
9 days of the date the property was acquired.

10 “(b) **The surviving spouse of a veteran must notify the county**
11 **assessor of the election.**

12 “[*(b)*] (c) [*The claim shall be allowed by the county assessor*] **Upon receipt**
13 **of the notice, the county assessor shall continue the exemption** if the
14 surviving spouse **of a veteran** meets all of the [*qualifications for an*] **eligi-**
15 **bility requirements for the** exemption under ORS 307.250 other than the
16 timely filing of a claim under subsection (1) of this section.

17 “[*(c)*] (d) If taxes on the exempt value have been paid, the taxes shall be
18 refunded in the manner prescribed in paragraph (d) of this subsection. If
19 taxes on the exempt value have not been paid, the taxes and any interest
20 [*thereon shall be*] **are** abated.

21 “[*(d)*] (e) The tax collector shall notify the governing body of the county
22 of any refund required under this section and the governing body shall cause
23 a refund of the taxes and any interest paid to be made from the unsegregated
24 tax collections account described in ORS 311.385. The refund under this
25 subsection shall be made without interest. The county assessor and tax col-
26 lector shall make the necessary corrections in the records of their offices.

27 “**SECTION 3.** ORS 307.270 is amended to read:

28 “307.270. (1) The exemption under ORS 307.250 applies to property [*a*] **that**
29 **an eligible** veteran or surviving spouse **of a veteran** owns or has in pos-
30 session under a recorded contract of purchase.

1 “(2) The exemption first applies to the homestead of the veteran or sur-
2 viving spouse **of a veteran** and then to the personal property of the veteran
3 or surviving spouse **of a veteran**.

4 “(3) Property of the spouse of [*the*] **a veteran** is deemed the homestead
5 of the veteran if the veteran and the spouse of the veteran are living to-
6 gether and occupying the property as their homestead.

7 “(4) When a veteran or surviving spouse **of a veteran** applies for ex-
8 emption on properties in two or more counties, the total amount of the ex-
9 emption allowed in all counties may not exceed the maximum amount of
10 exemption under ORS 307.250.

11 “[~~(2)~~] (5) For each [*qualified*] **eligible** veteran or surviving spouse **of a**
12 **veteran**, only one valid and allowable claim for an exemption on a home-
13 stead [*shall*] **may** be permitted in any one assessment year.

14 “**SECTION 4. The amendments to ORS 307.250, 307.260 and 307.270**
15 **by sections 1 to 3 of this 2023 Act apply to property tax years beginning**
16 **on or after July 1, 2024.**

17 “**SECTION 5. This 2023 Act takes effect on the 91st day after the**
18 **date on which the 2023 regular session of the Eighty-second Legislative**
19 **Assembly adjourns sine die.”**

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