

Senate Bill 955

Sponsored by Senator SMITH DB

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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would grant a specially assessed property tax value for the homes of veterans and their spouses who outlive them. (Flesch Readability Score: 60.6).

Provides, for purposes of ad valorem property taxation, a specially assessed value for the owner-occupied primary residences of veterans and surviving spouses of veterans. Disqualifies the residence for the special assessment on the death of the veteran, remarriage of the surviving spouse or sale of the residence.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to a specially assessed value for the residences of veterans; and prescribing an effective
3 date.

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

5 **SECTION 1. (1)(a) "Surviving spouse of a veteran" means a veteran's surviving spouse**
6 **who has not remarried.**

7 **(b) "Veteran" has the meaning given that term in ORS 408.225.**

8 **(2) Notwithstanding any other provision of law, the owner-occupied primary residence of**
9 **an individual who is a veteran or the surviving spouse of a veteran and has filed a valid claim**
10 **under subsection (5) of this section shall have a specially assessed value determined under**
11 **subsection (3) of this section.**

12 **(3)(a) The specially assessed value of a residence to which a valid claim relates shall equal**
13 **the real market value of the residence as shown on the tax statement delivered pursuant to**
14 **ORS 311.250 for the property tax year immediately preceding the first property tax year to**
15 **which a valid claim filed under subsection (5) of this section relates.**

16 **(b) For the first property tax year for which the residence is assessed under this section,**
17 **the residence's maximum specially assessed value shall equal the product of the specially**
18 **assessed value multiplied by the ratio, not greater than 1.00, of the maximum assessed value**
19 **the residence would have had for the applicable property tax year if it were not specially**
20 **assessed to the real market value of the residence for the applicable property tax year.**

21 **(c) For each year after the first property tax year for which the residence is specially**
22 **assessed under this section and before disqualification from the specially assessed value, the**
23 **residence's maximum specially assessed value shall equal the greater of 103 percent of the**
24 **residence's assessed value from the prior property tax year or 100 percent of the residence's**
25 **maximum specially assessed value from the prior property tax year.**

26 **(4) The assessed value of the residence for any property tax year during which the resi-**
27 **dence is granted a specially assessed value under this section shall be the least of:**

28 **(a) The residence's maximum specially assessed value as determined under subsection (3)**

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 of this section;

2 (b) The residence's real market value; or

3 (c) The residence's specially assessed value as determined under subsection (3) of this
4 section.

5 (5)(a) An individual's claim for a specially assessed value for a residence under this sec-
6 tion must:

7 (A) Be in writing on a form supplied by the Department of Revenue;

8 (B) Describe the residence;

9 (C) Recite all facts establishing the eligibility of the residence for, and of the individual
10 to claim, the specially assessed value; and

11 (D) Have attached:

12 (i) Any documentary proof required by the department; and

13 (ii) A written declaration by the individual that the statements contained in the claim
14 are true.

15 (b) The claim must be filed with the assessor of the county in which the residence is lo-
16 cated after January 1 and on or before April 15 immediately preceding the property tax year
17 for which the specially assessed value is claimed.

18 (c) If the county assessor determines that the residence is eligible for, and the individual
19 is eligible to claim, the specially assessed value, the county assessor shall determine the total
20 amount of taxes due on the individual's residence in accordance with this section.

21 (6)(a) Notwithstanding subsection (5) of this section, a surviving spouse of a veteran may
22 elect, at any time during the tax year, to continue a special assessment granted to the vet-
23 eran under this section without filing a new claim if:

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

25 (B) The subject residence was acquired after March 1 but prior to July 1 of the assess-
26 ment year and the veteran died within 30 days of the date the residence was acquired.

27 (b) The surviving spouse of a veteran must notify the county assessor of the election.

28 (c) Upon receipt of the notice, the county assessor shall continue the special assessment
29 if the surviving spouse of a veteran meets all of the eligibility requirements for special as-
30 sessment under this section other than the timely filing of a claim under subsection (5) of
31 this section.

32 (d) If taxes on the specially assessed value have been paid, the taxes shall be refunded
33 in the manner prescribed in paragraph (e) of this subsection. If taxes on the specially as-
34 sessed value have not been paid, the taxes and any interest on the taxes are abated.

35 (e) The tax collector shall notify the governing body of the county of any refund required
36 under this section and the governing body shall cause a refund of the taxes and any interest
37 paid to be made from the unsegregated tax collections account described in ORS 311.385. The
38 refund under this subsection shall be made without interest. The county assessor and tax
39 collector shall make the necessary corrections in the records of their offices.

40 (7) Any individual aggrieved by the denial of a claim for the specially assessed value un-
41 der this section may appeal to the Oregon Tax Court in the manner provided by ORS 305.404
42 to 305.560.

43 (8) The specially assessed value under this section is in addition to and not in lieu of any
44 other property tax limit, exemption or partial exemption, special assessment, credit or
45 deferral.

1 **(9)(a) If, as of January 1 of the assessment year, any of the circumstances listed in par-**
2 **agraph (b) of this subsection have occurred since the immediately preceding January 1, the**
3 **residence shall:**

4 **(A) Have, for the immediately succeeding property tax year, a maximum assessed value**
5 **as determined under ORS 308.156 (5); and**

6 **(B) Be assessed and taxed as other property similarly situated is assessed and taxed.**

7 **(b) The circumstances referred to in paragraph (a) of this subsection are:**

8 **(A) The individual who claimed the specially assessed value on the residence dies.**

9 **(B) The surviving spouse of a veteran who claimed the specially assessed value on the**
10 **residence remarries.**

11 **(C) The residence granted the specially assessed value is sold, a contract to sell is en-**
12 **tered into or a person other than the individual who claimed the specially assessed value,**
13 **including a transferee, becomes the owner of the residence.**

14 **(D) The residence is no longer the owner-occupied primary residence of any individual**
15 **who claimed the specially assessed value, except in the case of an individual required to be**
16 **absent from the residence by reason of health.**

17 **(E) The residence granted the specially assessed value is a manufactured structure or**
18 **floating home and has been moved out of the state.**

19 **(F) New property or new improvements as defined in ORS 308.149 have been added to the**
20 **tax account of the residence that has been granted the specially assessed value.**

21 **SECTION 2.** **Section 1 of this 2025 Act applies to property tax years beginning on or after**
22 **July 1, 2026.**

23 **SECTION 3.** **This 2025 Act takes effect on the 91st day after the date on which the 2025**
24 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**