

Senate Bill 387

Sponsored by Senator GORDLY (at the request of LTC Barry Larrain)

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**.

Modifies active duty military service requirements needed to qualify for military homestead property tax exemption. Permits retroactive application for exemption. Permits individuals deployed overseas for at least 150 days during retroactive application period to apply within 30 days of return.

Applies to claims for exemption filed for tax years beginning on or after July 1, 2005.
Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to property tax benefits for military personnel; creating new provisions; amending ORS
3 307.286 and 307.289 and sections 5 and 6, chapter 520, Oregon Laws 2005; and prescribing an
4 effective date.

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

6 **SECTION 1.** ORS 307.286 is amended to read:

7 307.286. (1) Upon compliance with ORS 307.289, there shall be exempt from taxation up to
8 \$60,000 of the assessed value of the homestead of any resident of this state who is:

9 (a) Serving in the Oregon National Guard, military reserve forces or organized militia of any
10 other state or territory of the United States; and

11 (b) Performing service[, *after a change in status from serving under Title 32 to serving*] under
12 Title 10 of the United States Code[,] for more than 178 consecutive days, **if at least one of the days**
13 **falls within** [*during*] the tax year for which the exemption is claimed.

14 (2) For each tax year beginning on or after July 1, 2006, the amount of the exemption allowed
15 under subsection (1) of this section shall equal 103 percent of the amount of the exemption for the
16 prior tax year.

17 (3) **As used in this section, "homestead" means residential property that is owned by the**
18 **person described in subsection (1) of this section and that, but for military service, would**
19 **be occupied as a residence by the person described in subsection (1) of this section.**

20 **SECTION 2.** ORS 307.289 is amended to read:

21 307.289. (1)[*(a)*] Each person qualifying for the exemption under ORS 307.286 shall file with the
22 county assessor, on forms supplied by the assessor, a claim in writing on or before [*April 1 of the*
23 *assessment year for which the exemption is claimed, except that when the property designated is ac-*
24 *quired after March 1 but prior to July 1, the claim for that year shall be filed within 30 days after the*
25 *date of acquisition*] **August 1 following the end of the tax year for which the exemption is**
26 **claimed.**

27 [*(b) Not later than April 10 of each year, the county assessor shall notify each qualifying person*
28 *in the county who secured an exemption under ORS 307.286 in the preceding year but who did not file*
29 *a claim for exemption on or before April 1 of the current year. The notice may be given on an unsealed*

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 *postal card. Any person notified under this subsection may secure the exemption, if the person is still*
 2 *qualified, by filing a claim for exemption with the county assessor not later than May 1 of the current*
 3 *year. The person must include a late-filing fee of \$10, which shall be deposited in the general fund of*
 4 *the county for general governmental expenses. If the claim for any year is not filed within the time*
 5 *specified, the exemption may not be allowed on the assessment roll of that year.]*

6 (2) The claim shall set out the basis of the claim and designate the property to which the ex-
 7 emption may apply. Claims for exemptions under ORS 307.286 shall include a statement by the
 8 claimant under oath or affirmation setting forth the basis for eligibility for the exemption. The claim
 9 shall also include an affidavit or affirmation of the claimant that the statements contained therein
 10 are true.

11 **(3) Notwithstanding subsection (1) of this section and ORS 307.286 (1), an individual who**
 12 **applies prior to the date on which service begins shall be allowed the exemption under ORS**
 13 **307.286 if the claimant has written orders that require the performance of service described**
 14 **in ORS 307.286 (1) for at least one day during the tax year for which the exemption is being**
 15 **claimed and the claimant is otherwise eligible for the exemption.**

16 [(3)(a)] **(4)(a)** Notwithstanding subsection (1) of this section **and ORS 307.286 (1)**, an individual
 17 who is lawfully occupying the homestead of the qualifying person may file a claim for the exemption
 18 under ORS 307.286 [at any time during the tax year] **by the date prescribed in subsection (1) of**
 19 **this section if[.]**

20 [(A)] the qualifying person [died] **was killed in action** during the **current or** prior tax year[;
 21 or]

22 [(B) *The property was acquired after March 1 but prior to July 1 of the assessment year and the*
 23 *qualifying person died within 30 days of the date the property was acquired].*

24 (b) The claim shall be allowed by the county assessor if the qualifying person met all of the
 25 qualifications for an exemption under ORS 307.286 prior to being killed in action, other than the
 26 number of consecutive days of service [and the timely filing of a claim under subsection (1) of this
 27 section].

28 [(c)] **(5)** If taxes on the exempt value have been paid, the taxes shall be refunded in the manner
 29 prescribed in [paragraph (d) of this subsection] **subsection (6) of this section.** If taxes on the ex-
 30 empt value have not been paid, the taxes and any interest thereon shall be abated.

31 [(d)] **(6)** The tax collector shall notify the governing body of the county of any refund required
 32 under this section and the governing body shall cause a refund of the taxes and any interest paid
 33 to be made from the unsegregated tax collections account described in ORS 311.385. The refund
 34 under this subsection shall be made without interest. The county assessor and tax collector shall
 35 make the necessary corrections in the records of their offices.

36 **SECTION 3.** Section 5, chapter 520, Oregon Laws 2005, is amended to read:

37 **Sec. 5.** [Section 3 of this 2005 Act] **ORS 307.286** applies to qualifying persons [initially] ordered
 38 to federal active duty on or after January 1, 2005, and property for which an exemption is claimed
 39 for tax years beginning on or after July 1, 2005.

40 **SECTION 4.** Section 6, chapter 520, Oregon Laws 2005, is amended to read:

41 **Sec. 6.** (1) Notwithstanding the [time periods] **deadline** set forth in [section 4 (1) of this 2005
 42 Act] **ORS 307.289 (1)**, for the tax year beginning on July 1, 2005, **or July 1, 2006**, a qualifying person
 43 or lawful occupant of the homestead of a deceased qualifying person may file with the county
 44 assessor, on forms supplied by the assessor, a claim in writing **no later than:**

45 **(a)** [Within 60 days after the effective date of this 2005 Act] **180 days after the effective date**

1 of this 2007 Act; or

2 (b) If the qualifying person has written orders that show the qualifying person was per-
3 forming service under Title 10 of the United States Code for 150 days or more between the
4 effective date of this 2007 Act and the deadline specified in paragraph (a) of this subsection,
5 30 days after the qualifying person returns from the overseas deployment subject to the
6 written orders.

7 (2) If taxes on the exempt value have been paid, the taxes shall be refunded in the manner
8 prescribed in subsection (3) of this section. If taxes on the exempt value have not been paid, the
9 taxes and any interest thereon shall be abated.

10 (3) The tax collector shall notify the governing body of the county of any refund required under
11 this section and the governing body shall cause a refund of the taxes and any interest paid to be
12 made from the unsegregated tax collections account described in ORS 311.385. The refund under this
13 subsection shall be made without interest. The county assessor and tax collector shall make the
14 necessary corrections in the records of their offices.

15 **SECTION 5. ORS 307.286 and 307.289 are added to and made a part of ORS chapter 307.**

16 **SECTION 6. This 2007 Act takes effect on the 91st day after the date on which the reg-
17 ular session of the Seventy-fourth Legislative Assembly adjourns sine die.**

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