

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
79th Oregon Legislative Assembly
2018 Regular Session
Legislative Revenue Office

Bill Number: SB 500-2
Revenue Area: Property Tax
Economist: Jaime McGovern
Date: 03/07/2018

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

Increases property tax exemption for service related disabled veterans and their surviving spouses. Creates a new category of service related exemption for those veterans with 100% service related disability. Allows counties to create eligibility requirements for new category of 100%.

Revenue Impact (in \$Millions):

	Biennium		
	2017-19	2019-21	2021-23
Local Governments	0	-9.2	-9.9
Local Education Districts	0	-7.5	-8.1
Total Revenue Change	0	-16.7	-18.0

Impact Explanation:

Currently two categories are recognized for this exemption, (1) veterans with 40% disability or more (not necessarily service related) and their surviving spouses and (2) veterans with 40% service related disability or more.

This bill creates a third category of 100% service related disability, and provides, upon qualification, a property tax exemption of \$100,000.

It increases the tax exemption for veterans (and their spouses) with service related disabilities. For those with service related disabilities certified to be between 40 and 100%, the exemption increases to \$60,000 of assessed value. For those with 100% service related disabilities the property tax exemption increases to \$100,000

There is, in the first biennium approximately \$16.7 million loss to the local governments and approximately \$3.3 million in shift.

Creates, Extends, or Expands Tax Expenditure: Yes No