

HB 2949 A STAFF MEASURE SUMMARY

Carrier: Rep. Gorsek

House Committee On Revenue

Action Date: 04/09/19

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 6-0-1-0

Yeas: 6 - Findley, Hernandez, Marsh, Nathanson, Reschke, Smith G

Exc: 1 - Smith Warner

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

Prepared By: Jaime McGovern, Economist

Meeting Dates: 3/12, 4/9

WHAT THE MEASURE DOES:

For counties with population of more than 570,000, authorizes governing body of county to set maximum personal property exemption above current statutory levels of \$34,000 (escalated for inflation from \$25,000). Requires that the governing body must notify the county assessor on or before Jan 1 of the assessment year. Conforms to new CPI calculation methodology. Applies to property tax years on or after Jan 1 2019.

ISSUES DISCUSSED:

- Many people living in manufactured structures are low income.
- The cliff effect on residents under the current law.
- Recently multiple Multnomah County residents have complained.
- Partial Exemption in the dash 1 addresses \$10 assessment fee.

EFFECT OF AMENDMENT:

Authorizes governing body of county with population of more than 570,000 to set a partial exemption for all manufactured structures taxable as personal property instead of allowing the governing body to set maximum personal property exemption above current statutory levels of \$34,000, and conforming language.

BACKGROUND:

Manufactured structures in some counties are exempt from property taxes, if the value of the property is below certain amounts. In counties with population of more than 570,000 the manufactured structures of a taxpayer are not subject to property taxes if the total assessed value of all manufactured structures taxable as personal property is worth less than \$34,000. The maximum allowed value is \$17,250 for properties in counties with population more than 340,000 and less than 570,000. This exemption does not apply to any properties in counties with fewer than 340,000 people.