

SB 262 STAFF MEASURE SUMMARY

Carrier: Rep. Nosse

House Committee On Revenue

Action Date: 05/22/19

Action: Do Pass.

Vote: 6-0-1-0

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

Exc: 1 - Smith G

Fiscal: No fiscal impact

Revenue: Revenue impact issued

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Meeting Dates: 5/7, 5/22

WHAT THE MEASURE DOES:

Extends to January 1st, 2032, the sunset on a program currently in statute ORS 307.603 which permits cities and counties to grant a property tax exemption for multiple unit rental housing. Affects two different programs, low income multi unit rental housing, and multi unit rental housing in designated areas such as light rail or mass transit areas. Takes effect 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Permissive nature of the program.
- Used in conjunction with inclusionary housing program.
- Requires approval of 51% of taxing districts to exempt all affected districts.
- Utilized in both Eugene and Portland.
- Review panel for examining exemption applications.
- Maximum of 10 year exemption.

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Cities and counties may grant a property tax exemption for multiple unit rental housing (excluding land) for a period of up to ten years. The current sunset in statute for the two exemptions extended by this bill is 2022. This program is utilized by several counties permissively for households with less than 60-80% of median area income. After the 10 year exemption expires for the qualified property, it goes back on the roll and is taxed at assessed value.