

## **HB 2341 STAFF MEASURE SUMMARY**

### **House Committee On Revenue**

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**Prepared By:** Jaime McGovern, Economist

**Meeting Dates:** 2/25, 3/11

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#### **WHAT THE MEASURE DOES:**

Authorizes, in county covered by state of emergency, tax collector, who knows or has reason to believe property has been destroyed or damaged by fire or act of God to prorate taxes imposed on property. Aligns methodology for proration of taxes on property destroyed and property damaged by fire or act of God. Provides new computation for proration of taxes for property other than specially assessed property. Applies to property tax years beginning on or after July 1, 2020. Takes effect on 91st day following adjournment sine die.

#### **ISSUES DISCUSSED:**

- Damage in counties
- Prevalence of wildfires
- Various types of natural disaster
- Reassessment process and timing for fire damaged property

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

Currently, statute provides for an application process that would allow property tax relief for property owners affected by fire. The property relief mechanism differs for damaged property and destroyed property, and can also not be commenced without a completed application. In the case of a wildfire, numerous applications may be received and owners of damaged property may not receive refund until the end of the property tax year. The mechanism for calculating property tax relief is contingent on the real market value of the property dropping below the previously assessed value of the property.