

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
81st Oregon Legislative Assembly  
2021 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	<b>HB 3275 - A3</b>
<b>Revenue Area:</b>	<b>Property Tax</b>
<b>Economist:</b>	<b>Jaime McGovern</b>
<b>Date:</b>	<b>05/17/2021</b>

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

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**Measure Description:**

Exempts land owned by eligible covenant holder that is burdened by affordable housing covenant requiring permanent affordability from ad valorem property taxation if improvements on land constitute owner-occupied housing. Creates partial assessed value exemption of owner-occupied affordable housing improvements on land under covenant.

**Revenue Impact:**

There may be a revenue loss if the measure is utilized upon passage.

**Impact Explanation:**

The full exemption of the land underneath the low-income housing development and the 27% exemption of the condo units that serve as owner-occupied affordable housing under this bill, would create a revenue loss as compared with fully taxable property. However, as of yet, none of these properties have been built and, hence, it is unknown if such housing under such covenants would be built in the absence of this legislation. It is also unknown whether the bill will be utilized upon passage and to what extent.

**Creates, Extends, or Expands Tax Expenditure: Yes  No**

The policy purpose of this measure is increase affordable housing in Oregon.