

**A-Engrossed**  
**House Bill 3275**

Ordered by the House April 7  
Including House Amendments dated April 7

Sponsored by Representative PHAM; Representative MEEK (at the request of Proud Ground)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

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.

Provides that **27 percent of real market value of** owner-occupied condominium unit burdened by affordable housing covenant requiring permanent affordability is [*27 percent*] exempt from ad valorem property taxation.

Takes effect on 91st day following adjournment sine die.

**A BILL FOR AN ACT**

1  
2 Relating to permanently affordable owner-occupied housing; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) As used in this section:**

5 (a) **"Affordable housing covenant" and "eligible covenant holder" have the meanings**  
6 **given those terms under ORS 456.270.**

7 (b) **"Condominium unit" has the meaning given that term under ORS 100.005.**

8 (2) **Upon compliance with ORS 307.162, land owned by an eligible covenant holder that is**  
9 **burdened by an affordable housing covenant requiring permanent affordability is exempt**  
10 **from ad valorem property taxation if, for any property tax year:**

11 (a) **The improvements on the land constitute owner-occupied housing;**

12 (b) **Owner-occupied housing is being constructed or rehabilitated on the land;**

13 (c) **The land is being held for a reasonable period for the construction of owner-occupied**  
14 **housing;**

15 (d) **The owner-occupied housing on the land is unoccupied while offered for sale as**  
16 **owner-occupied housing; or**

17 (e) **The owner is required to be absent from the owner-occupied housing on the land by**  
18 **reason of health or active military service.**

19 (3)(a) **Upon compliance with ORS 307.162, 27 percent of the real market value of an**  
20 **owner-occupied condominium unit burdened by an affordable housing covenant requiring**  
21 **permanent affordability is exempt from ad valorem property taxation.**

22 (b) **The owner-occupied condominium unit shall continue to receive the partial property**  
23 **tax exemption granted under this subsection if, for any property tax year:**

24 (A) **The owner-occupied condominium unit is being rehabilitated and will constitute**  
25 **owner-occupied housing after the rehabilitation is complete;**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1       **(B) The owner-occupied condominium unit is unoccupied while offered for sale as**  
2 **owner-occupied housing; or**

3       **(C) The owner is required to be absent from the owner-occupied condominium unit by**  
4 **reason of health or active military service.**

5       **SECTION 2.** **Section 1 of this 2021 Act applies to property tax years beginning on or after**  
6 **July 1, 2022.**

7       **SECTION 3.** **This 2021 Act takes effect on the 91st day after the date on which the 2021**  
8 **regular session of the Eighty-first Legislative Assembly adjourns sine die.**

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