

House Bill 3275

Sponsored by Representative PHAM (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 **as introduced**.

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

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

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

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

6 (b) **“Condominium unit” has the meaning given that term under ORS 100.005.**

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

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

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

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

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

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

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

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

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

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

27 (C) **The owner is required to be absent from the owner-occupied condominium unit by**
28 **reason of health or active military service.**
29

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

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

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