

# Senate Bill 545

Sponsored by Senator GIROD; Senators FINDLEY, KNOPP, THATCHER (Pre-session filed.)

## 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**.

Grants higher property tax exemption for property of veterans with service-connected disabilities. Grants exemption for veteran's surviving spouse who remains unmarried.  
Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to property tax exemption for disabled veterans; creating new provisions; amending ORS  
3 307.250, 307.260 and 307.270; and prescribing an effective date.

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

5 **SECTION 1. ORS 307.250, 307.260, 307.262, 307.270 and 307.280 are added to and made a**  
6 **part of ORS 307.250 to 307.280.**

7 **SECTION 2.** ORS 307.250 is amended to read:

8 307.250. (1) As used in [*this section and ORS 307.260, 307.262 and 307.270,*] **ORS 307.250 to**  
9 **307.280:**

10 (a) **“Surviving spouse of a veteran” means a veteran’s surviving spouse who has not re-**  
11 **married.**

12 (b) “Veteran” has the meaning given that term in ORS 408.225.

13 (2) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed  
14 \$15,000 of the assessed value of the homestead or personal property of any of the following residents  
15 of this state other than those described in subsection (3) **or (4)** of this section:

16 (a) Any veteran who is officially certified by the United States Department of Veterans Affairs  
17 or any branch of the Armed Forces of the United States as having disabilities of 40 percent or more.

18 (b) Any veteran having served with the United States Armed Forces who, as certified by one  
19 duly licensed physician or naturopathic physician, is rated as having disabilities of 40 percent or  
20 more. However, a veteran shall be entitled to the exemption granted under this paragraph only if  
21 the veteran during the calendar year immediately preceding the assessment year for which the ex-  
22 emption is claimed had total gross income, including pensions, disability compensation or retirement  
23 pay, or any combination of such payments from the United States Government on account of such  
24 service, of not more than 185 percent of federal poverty guidelines.

25 [*(c) The surviving spouse remaining unmarried of a veteran, but the exemption shall apply only to*  
26 *the period preceding the date of the first remarriage of the surviving spouse.*]

27 (c) **The surviving spouse of a veteran.**

28 (3) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed  
29 [*\$18,000*] **\$45,000** of the assessed value of the homestead or personal property of any of the following  
30 residents of this state:

31 (a) Any veteran who is officially certified by the United States Department of Veterans Affairs

**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 or any branch of the Armed Forces of the United States as having service-connected disabilities of  
2 **at least 40 percent [or more] but less than 100 percent.**

3 (b) The surviving spouse [*remaining unmarried*] of a veteran, if the veteran died as a result of  
4 service-connected injury or illness or if the veteran received at least one year of the maximum ex-  
5 emption from taxation [*allowed*] **granted** under paragraph (a) of this subsection after 1981 for a  
6 veteran certified as having service-connected disabilities of **at least 40 percent [or more] but less**  
7 **than 100 percent.**

8 (4) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed  
9 \$100,000 of the assessed value of the homestead or personal property of any of the following  
10 residents of this state:

11 (a) Any veteran who is officially certified by the United States Department of Veterans  
12 Affairs or any branch of the Armed Forces of the United States as having service-connected  
13 disabilities of 100 percent or more.

14 (b) The surviving spouse of a veteran, if the veteran died as a result of service-connected  
15 injury or illness or if the veteran received at least one year of the maximum exemption from  
16 taxation granted under paragraph (a) of this subsection after 1981 for a veteran certified as  
17 having service-connected disabilities of 100 percent or more.

18 (5)(a) Notwithstanding subsection (4) of this section, a county may adopt an ordinance  
19 or resolution that establishes a maximum amount of annual gross income that may be  
20 earned by a veteran or surviving spouse of a veteran described in subsection (4) of this sec-  
21 tion for purposes of eligibility for the exemption granted under subsection (4) of this section.

22 (b) In a county that establishes a maximum amount of annual gross income under this  
23 subsection, the homestead or personal property of a veteran or surviving spouse of a veteran  
24 whose annual gross income exceeds the maximum but who is otherwise eligible under sub-  
25 section (4) of this section shall be granted the exemption under subsection (3) of this section.

26 [(4)] (6) The amount of the exemption [*allowed*] **granted** under subsection (2), [*or*] (3) or (4) of  
27 this section shall equal 103 percent of the amount of the exemption for the prior tax year.

28 (7) An exemption granted under this section to the property of a surviving spouse of a  
29 veteran applies solely to the period preceding the date of the first remarriage of the surviv-  
30 ing spouse of a veteran and ends on the date of remarriage.

31 **SECTION 3.** ORS 307.260 is amended to read:

32 307.260. (1)(a) Each veteran or surviving spouse **of a veteran** [*qualifying for*] **seeking** the ex-  
33 emption under ORS 307.250 [*shall*] **must** file with the county assessor, on forms supplied by the  
34 assessor, a claim [*therefor*] **for exemption** in writing on or before April 1 of the assessment year for  
35 which the exemption is claimed, except that when the property designated is acquired after March  
36 1 but prior to July 1 the claim [*shall*] **must** be filed within 30 days after the date of acquisition.

37 (b) A claim [*need not be filed*] **is not required** under this section in order to be [*allowed*]  
38 **granted** the exemption described in ORS 307.250 if:

39 (A) The homestead or personal property of the veteran or surviving spouse **of a veteran** was  
40 [*allowed*] **granted** the exemption under ORS 307.250 for the preceding tax year;

41 (B) The individual claiming the exemption is a veteran described in ORS 307.250 (2)(a), [*or*] (3)(a)  
42 **or (4)(a)** or a surviving spouse **of a veteran** who meets the requirements of ORS 307.250 (2)(c),  
43 [*or*] (3)(b) **or (4)(b)**; and

44 (C) As of the filing date for the current tax year, the ownership and use of the homestead or  
45 personal property and all other [*qualifying*] conditions **of eligibility** for the homestead or personal

1 property to be *[allowed]* **granted** the exemption remain unchanged.

2 (c)(A) If the individual claiming the exemption is a veteran described in ORS 307.250 (2)(b), the  
3 claimant *[shall]* **must** file a claim annually that satisfies the requirements of subsection (2) of this  
4 section on or before the date required in paragraph (a) of this subsection.

5 (B) If the county assessor has not received a claim filed under this paragraph on or before April  
6 1 of the current year, not later than April 10 of each year, the county assessor shall notify the  
7 veteran in the county who *[secured]* **was granted** an exemption under ORS 307.250 (2)(b) in the  
8 preceding year but who did not *[make application therefor]* **file a claim for the exemption** on or  
9 before April 1 of the current year. The county assessor may provide the notification on an unsealed  
10 postal card. A veteran so notified may *[secure]* **be granted** the exemption, if still *[qualified]*  
11 **eligible**, by *[making application therefor to]* **filing a claim for the exemption with** the county  
12 assessor not later than May 1 of the current year, accompanied by a late-filing fee of \$10, which  
13 shall be deposited in the general fund of the county for general governmental expenses. If the claim  
14 for any tax year is not filed within the time specified, the exemption may not be *[allowed]* **granted**  
15 on the assessment roll for that year.

16 (2)(a) *[The claim shall]* **A claim filed under this section must** set out the basis of the claim  
17 and designate the property to which the exemption may apply. Except as provided in subsection (3)  
18 of this section, **there must be affixed to** claims for *[exemptions]* **exemption** under ORS 307.250  
19 (2)(a), *[and]* (3)(a) **and (4)(a)** *[shall have affixed thereto]* the certificate last issued by United States  
20 Department of Veterans Affairs or the branch of the Armed Forces of the United States, as *[the case*  
21 *may be]* **applicable**, but dated within three years prior to the date of the claim for exemption, cer-  
22 tifying the rate of disability of the claimant.

23 (b) **Except as provided in subsection (3) of this section, there must be affixed to** claims for  
24 exemption under ORS 307.250 (2)(b) *[shall, except as provided in subsection (3) of this section, have*  
25 *affixed thereto]*, in addition to the certificate last issued by a licensed physician or naturopathic  
26 physician and dated within one year prior to the date of the claim for exemption, certifying the rate  
27 of disability of the claimant, a statement by the claimant under oath or affirmation setting forth the  
28 total gross income received by the claimant from all sources during the last calendar year.

29 (c) There **must** also *[shall]* be affixed to each claim the affidavit or affirmation of the claimant  
30 that the statements contained *[therein]* **in the claim** are true.

31 (3) The provisions of subsection (2) of this section that require a veteran to affix to the claim  
32 certificates of the United States Department of Veterans Affairs, a branch of the Armed Forces of  
33 the United States or a licensed physician or naturopathic physician do not apply to a veteran who  
34 has filed the required certificate after attaining the age of 65 years or to a veteran who has filed,  
35 on or after September 27, 1987, a certificate certifying a disability rating that, under federal law, is  
36 permanent and cannot be changed.

37 (4)(a) Notwithstanding subsection (1) of this section, a surviving spouse **of a veteran** may file  
38 a claim for the exemption under ORS 307.250 at any time during the tax year if:

39 (A) The veteran died during the previous tax year; or

40 (B) The property designated as the homestead was acquired after March 1 but prior to July 1  
41 of the assessment year and the veteran died within 30 days of the date the property was acquired.

42 (b) *[The claim shall be allowed by]* The county assessor **shall grant the claim** if the surviving  
43 spouse **of a veteran** meets all of the *[qualifications]* **eligibility requirements** for an exemption un-  
44 der ORS 307.250 other than the timely filing of a claim under subsection (1) of this section.

45 (c) If taxes on the exempt value have been paid, the taxes shall be refunded in the manner

1 prescribed in paragraph (d) of this subsection. If taxes on the exempt value have not been paid, the  
 2 taxes and any interest [*thereon shall be*] **are** abated.

3 (d) The tax collector shall notify the governing body of the county of any refund required under  
 4 this section and the governing body shall cause a refund of the taxes and any interest paid to be  
 5 made from the unsegregated tax collections account described in ORS 311.385. The refund under this  
 6 subsection shall be made without interest. The county assessor and tax collector shall make the  
 7 necessary corrections in the records of their offices.

8 **SECTION 4.** ORS 307.270 is amended to read:

9 307.270. (1) The exemption under ORS 307.250 applies to property [*a*] **that an eligible** veteran  
 10 or surviving spouse **of a veteran** owns or has in possession under a recorded contract of purchase.

11 (2) The exemption first applies to the homestead of the veteran or surviving spouse **of a veteran**  
 12 and then to the personal property of the veteran or surviving spouse **of a veteran**.

13 (3) Property of the spouse of [*the*] **a** veteran is deemed the homestead of the veteran if the vet-  
 14 eran and the spouse of the veteran are living together and occupying the property as their home-  
 15 stead.

16 (4) When a veteran or surviving spouse **of a veteran** applies for exemption on properties in two  
 17 or more counties, the total amount of the exemption allowed in all counties may not exceed the  
 18 maximum amount of exemption under ORS 307.250.

19 [(2)] (5) For each [*qualified*] **eligible** veteran or surviving spouse **of a veteran**, only one valid  
 20 and allowable claim for an exemption on a homestead [*shall*] **may** be permitted in any one assess-  
 21 ment year.

22 **SECTION 5.** The amendments to ORS 307.250, 307.260 and 307.270 by sections 2 to 4 of this  
 23 2021 Act apply to property tax years beginning on or after July 1, 2021.

24 **SECTION 6.** This 2021 Act takes effect on the 91st day after the date on which the 2021  
 25 regular session of the Eighty-first Legislative Assembly adjourns sine die.