

Requested by Representative DRAZAN

**PROPOSED AMENDMENTS TO
HOUSE BILL 2634**

1 On page 1 of the printed bill, line 3, delete “and 311.688” and insert “,
2 311.688, 311.693 and 311.694”.

3 Delete lines 6 through 30 and delete pages 2 through 8 and insert:

4 **“SECTION 1.** ORS 311.666 is amended to read:

5 “311.666. As used in ORS 311.666 to 311.701:

6 **“(1) ‘Consumer Price Index for All Urban Consumers, West**
7 **Region’ means the Consumer Price Index for All Urban Consumers,**
8 **West Region (All Items), as published by the Bureau of Labor Statis-**
9 **tics of the United States Department of Labor.**

10 “[~~(1)~~] **(2) ‘County median RMV’ means the median real market value en-**
11 **tered on the last certified assessment and tax roll for all residential improved**
12 **properties in the county in which a homestead is located that are classified**
13 **as 1-0-1 pursuant to the rule adopted by the Department of Revenue under**
14 **ORS 308.215.**

15 **“(3) ‘Disabled heir’ means a person with a disability who is:**

16 **“(a) An heir, legatee, devisee or distributee of a deceased individual**
17 **whose homestead has been granted deferral under ORS 311.666 to**
18 **311.701;**

19 **“(b) A grantee of the homestead under a transfer on death deed**
20 **granted by the deceased individual; or**

21 **“(c) A grantee of the homestead under a deed granted by the trustee**

1 **of a trust established by the deceased individual.**

2 “[2] (4) ‘Homestead’ means the owner occupied principal dwelling, either
3 real or personal property, owned by the taxpayer and the tax lot upon which
4 it is located. If the homestead is located in a multiunit building, the home-
5 stead is the portion of the building actually used as the principal dwelling
6 and its percentage of the value of the common elements and of the value of
7 the tax lot upon which it is built. The percentage is the value of the unit
8 consisting of the homestead compared to the total value of the building ex-
9 clusive of the common elements, if any.

10 “[3] (5) ‘Household income’ means the aggregate income of the taxpayer
11 and the spouse of the taxpayer who occupy the homestead, that was received
12 during the calendar year for which the claim is filed. ‘Household income’
13 includes payments received by the taxpayer or the spouse of the taxpayer
14 under the federal Social Security Act for the benefit of a minor child or
15 minor children who occupy the homestead.

16 “[4] (6) ‘Income’ means ‘adjusted gross income’ as defined in the federal
17 Internal Revenue Code, as defined in ORS 305.842, relating to the measure-
18 ment of taxable income of individuals, estates and trusts, with the following
19 modifications:

20 “(a) There shall be added to adjusted gross income the following items
21 of otherwise exempt income:

22 “(A) The gross amount of any otherwise exempt pension less return of
23 investment, if any.

24 “(B) Child support received by the taxpayer.

25 “(C) Inheritances.

26 “(D) Gifts and grants, the sum of which are in excess of \$500 per year.

27 “(E) Amounts received by a taxpayer or spouse of a taxpayer for support
28 from a parent who is not a member of the taxpayer’s household.

29 “(F) Life insurance proceeds.

30 “(G) Accident and health insurance proceeds, except reimbursement of

1 incurred medical expenses.

2 “(H) Personal injury damages.

3 “(I) Sick pay that is not included in federal adjusted gross income.

4 “(J) Strike benefits excluded from federal gross income.

5 “(K) Worker’s compensation, except for reimbursement of medical ex-
6 pense.

7 “(L) Military pay and benefits.

8 “(M) Veteran’s benefits.

9 “(N) Payments received under the federal Social Security Act that are
10 excluded from federal gross income.

11 “(O) Welfare payments, except as follows:

12 “(i) Payments for medical care, drugs and medical supplies, if the pay-
13 ments are not made directly to the welfare recipient;

14 “(ii) In-home services authorized and approved by the Department of Hu-
15 man Services; and

16 “(iii) Direct or indirect reimbursement of expenses paid or incurred for
17 participation in work or training programs.

18 “(P) Nontaxable dividends.

19 “(Q) Nontaxable interest not included in federal adjusted gross income.

20 “(R) Rental allowance paid to a minister that is excluded from federal
21 gross income.

22 “(S) Income from sources without the United States that is excluded from
23 federal gross income.

24 “(b) Adjusted gross income shall be increased due to the disallowance of
25 the following deductions:

26 “(A) The amount of the net loss, in excess of \$1,000, from all dispositions
27 of tangible or intangible properties.

28 “(B) The amount of the net loss, in excess of \$1,000, from the operation
29 of a farm or farms.

30 “(C) The amount of the net loss, in excess of \$1,000, from all operations

1 of a trade or business, profession or other activity entered into for the pro-
2 duction or collection of income.

3 “(D) The amount of the net loss, in excess of \$1,000, from tangible or in-
4 tangible property held for the production of rents, royalties or other income.

5 “(E) The amount of any net operating loss carryovers or carrybacks in-
6 cluded in federal adjusted gross income.

7 “(F) The amount, in excess of \$5,000, of the combined deductions or other
8 allowances for depreciation, amortization or depletion.

9 “(G) The amount added or subtracted, as required within the context of
10 this section, for adjustments made under ORS 316.680 (2)(d) and 316.707 to
11 316.737.

12 “(c) ‘Income’ does not include the following:

13 “(A) Any governmental grant that must be used by the taxpayer for re-
14 habilitation of the homestead of the taxpayer.

15 “(B) Any refund of Oregon personal income taxes that were imposed under
16 ORS chapter 316.

17 “[5)(a)] **(7)(a)** ‘Net worth’ means the sum of the current market value of
18 all assets, including real property, cash, savings accounts, bonds and other
19 investments, after deducting outstanding liabilities.

20 “(b) ‘Net worth’ does not include the value of a homestead for which
21 deferral is claimed under ORS 311.666 to 311.701, the cash value of life in-
22 surance policies on the life of a taxpayer or tangible personal property
23 owned by a taxpayer.

24 “[6)] **(8)** ‘Person with a disability’ means an individual who has been
25 determined to be eligible to receive or who is receiving federal Social Secu-
26 rity benefits due to disability or blindness, including an individual who is
27 receiving Social Security survivor benefits in lieu of Social Security benefits
28 due to disability or blindness.

29 “[7)] **(9)** ‘Tax-deferred property’ means the property upon which taxes are
30 deferred under ORS 311.666 to 311.701.

1 “[8] (10) ‘Taxes’ or ‘property taxes’ means ad valorem taxes, assessments,
2 fees and charges entered on the assessment and tax roll.

3 “[9] (11) ‘Taxpayer’ means an individual who has filed, as an individual
4 or jointly, a claim for deferral under ORS 311.666 to 311.701.

5 “[10](a) (12)(a) ‘Transferee’ means, without limitation, an heir, legatee,
6 devisee, distributee of an estate of a deceased individual, the assignee or
7 donee of an insolvent individual or a person acting in a fiduciary capacity
8 on behalf of a transferee.

9 “(b) ‘Transferee’ does not mean a bona fide purchaser for value.

10 “[11] (13) ‘U.S. City Average Consumer Price Index’ means the U.S. City
11 Average Consumer Price Index for All Urban Consumers (All Items) as pub-
12 lished by the Bureau of Labor Statistics of the United States Department of
13 Labor.

14 **“SECTION 2.** ORS 311.668 is amended to read:

15 “311.668. (1)(a) A claim to defer the property taxes on a homestead that
16 is eligible for deferral under ORS 311.670 may be filed with the county
17 assessor in the manner prescribed under ORS 311.672 by:

18 “(A) An individual who is, or two or more individuals filing a claim
19 jointly each of whom is, 62 years of age or older on or before April 15 of the
20 calendar year in which the claim is filed; or

21 “(B) An individual who is a person with a disability as of April 15 of the
22 calendar year in which the claim is filed, regardless of **the age of the in-**
23 **dividual or** the age or disability of other individuals occupying the home-
24 stead.

25 “(b) If a guardian or conservator has been appointed for an individual
26 otherwise eligible to claim deferral of taxes under this section, the guardian
27 or conservator may act for the individual in complying with the provisions
28 of ORS 311.666 to 311.701.

29 “(c) If a trustee of an inter vivos trust that was created by and is
30 revocable by an individual, who is both the trustor and a beneficiary of the

1 trust and who is otherwise eligible to claim deferral of taxes under this
2 section, owns the fee simple estate under a recorded instrument of sale, the
3 trustee may act for the individual in complying with the provisions of ORS
4 311.666 to 311.701.

5 “(d) This section may not be construed to require the spouse of an indi-
6 vidual to file a claim jointly with the individual even though the spouse may
7 be eligible to claim the deferral jointly with the individual.

8 “(2)(a) Notwithstanding subsection (1) of this section, deferral may not
9 be granted under ORS 311.666 to 311.701 with respect to a claim filed by in-
10 dividuals who together have, for the calendar year immediately preceding the
11 calendar year in which the claim for deferral is filed:

12 “(A) Household income of \$32,000 or more; or

13 “(B) Net worth of \$500,000 or more.

14 “(b) For each tax year beginning on or after July 1, 2002, the Department
15 of Revenue shall recompute the maximum household income under this sub-
16 section as follows:

17 “(A) Divide the average [*U.S. City Average Consumer Price Index*] **Con-**
18 **sumer Price Index for All Urban Consumers, West Region**, for the first
19 six months of the [*current*] calendar year **immediately preceding the cal-**
20 **endar year in which the tax year begins** by the average U.S. City Average
21 Consumer Price Index for the first six months of 2001.

22 “(B) Recompute the maximum household income by multiplying \$32,000
23 by the appropriate indexing factor determined under subparagraph (A) of this
24 paragraph.

25 “(c) Any change in the maximum household income determined under
26 paragraph (b) of this subsection shall be rounded to the nearest multiple of
27 \$500.

28 “(3)(a) Notwithstanding subsection (1) of this section, deferral may not
29 be granted under ORS 311.666 to 311.701 with respect to a claim if, at the
30 time the claim is filed, property taxes imposed on the homestead of any in-

1 individual filing the claim have been deferred and are delinquent or have been
2 canceled.

3 **“(b) This subsection does not apply to the claim by a surviving**
4 **spouse or disabled heir to continue deferral under ORS 311.688.**

5 **“SECTION 3.** ORS 311.670 is amended to read:

6 “311.670. (1) Property is not eligible for tax deferral under ORS 311.666
7 to 311.701 unless, at the time a claim is filed and during the period for which
8 deferral is claimed, the property meets the requirements of this section.

9 “(2)(a) The property for which the claim is filed must have been the
10 homestead of the individual or individuals who file the claim for deferral for
11 at least five years preceding April 15 of the year in which the claim is
12 filed[, *except for an individual required to be absent from the homestead by*
13 *reason of health*].

14 “(b) The five-year requirement under paragraph (a) of this subsection does
15 not apply to a homestead that meets all other requirements of this section,
16 if the individual or individuals filing the claim for deferral:

17 **“(A) Are required to be absent from the homestead by reason of**
18 **health;**

19 “[A] (B)(i) Moved to the homestead for which the claim is filed from a
20 homestead that was granted deferral under ORS 311.666 to 311.701 and was
21 of greater real market value than the homestead for which the claim is filed;

22 “[B] (ii) Sell the prior homestead within one year of purchasing the
23 homestead for which the claim is filed;

24 “[C] (iii) Satisfy any lien created under ORS 311.673 or 311.679 and at-
25 tached to the prior homestead; and

26 “[D] (iv) Provide a written attestation that the individual or individuals
27 incurred debt for not more than 80 percent of the purchase price of the
28 homestead for which the claim is filed[.]; **or**

29 **“(C) Are a surviving spouse or disabled heir claiming continuation**
30 **of deferral under ORS 311.688.**

1 “(3) The individual claiming the deferral, individually or jointly, must
2 own the fee simple estate under a recorded instrument of sale, or two or
3 more individuals together must own the fee simple estate with rights of
4 survivorship under a recorded instrument of sale if all owners live in the
5 property and if all owners apply for the deferral jointly.

6 “(4)(a) The homestead must be insured for fire and other casualty.

7 “(b) If the homestead meets all other requirements of this section and is
8 insurable for fire and other casualty but not insured, the Department of
9 Revenue may purchase insurance for the homestead and add the cost of the
10 insurance coverage to a lien created under ORS 311.679.

11 “(5) There may be no prohibition to the deferral of property taxes con-
12 tained in any provision of federal law, rule or regulation applicable to a
13 mortgage, trust deed, land sale contract or conditional sale contract for
14 which the homestead is security.

15 “(6) A homestead is not eligible for deferral under ORS 311.666 to 311.701
16 [if] **unless** the real market value of the homestead entered on the [last] cer-
17 tified assessment and tax roll **for the property tax year immediately**
18 **preceding the property tax year for which the taxes will be deferred** is
19 [equal to or greater] **less than the greater of \$250,000 or:**

20 “(a) 100 percent of county median RMV if, as of April 15 of the year in
21 which a claim is filed, the taxpayers have continuously owned and [lived
22 in] **occupied** the homestead less than seven years.

23 “(b) 110 percent of county median RMV if, as of April 15 of the year in
24 which a claim is filed, the taxpayers have continuously owned and [lived
25 in] **occupied** the homestead at least seven years but less than nine years.

26 “(c) 120 percent of county median RMV if, as of April 15 of the year in
27 which a claim is filed, the taxpayers have continuously owned and [lived
28 in] **occupied** the homestead at least nine years but less than 11 years.

29 “(d) 130 percent of county median RMV if, as of April 15 of the year in
30 which a claim is filed, the taxpayers have continuously owned and [lived

1 *in*] **occupied** the homestead at least 11 years but less than 13 years.

2 “(e) 140 percent of county median RMV if, as of April 15 of the year in
3 which a claim is filed, the taxpayers have continuously owned and [*lived*
4 *in*] **occupied** the homestead at least 13 years but less than 15 years.

5 “(f) 150 percent of county median RMV if, as of April 15 of the year in
6 which a claim is filed, the taxpayers have continuously owned and [*lived*
7 *in*] **occupied** the homestead at least 15 years but less than 17 years.

8 “(g) 160 percent of county median RMV if, as of April 15 of the year in
9 which a claim is filed, the taxpayers have continuously owned and [*lived*
10 *in*] **occupied** the homestead at least 17 years but less than 19 years.

11 “(h) 170 percent of county median RMV if, as of April 15 of the year in
12 which a claim is filed, the taxpayers have continuously owned and [*lived*
13 *in*] **occupied** the homestead at least 19 years but less than 21 years.

14 “(i) 200 percent of county median RMV if, as of April 15 of the year in
15 which a claim is filed, the taxpayers have continuously owned and [*lived*
16 *in*] **occupied** the homestead at least 21 years but less than 23 years.

17 “(j) 225 percent of county median RMV if, as of April 15 of the year in
18 which a claim is filed, the taxpayers have continuously owned and [*lived*
19 *in*] **occupied** the homestead at least 23 years but less than 25 years.

20 “(k) 250 percent of county median RMV if, as of April 15 of the year in
21 which a claim is filed, the taxpayers have continuously owned and [*lived*
22 *in*] **occupied** the homestead for 25 years or more.

23 “**(7)(a) For each tax year beginning on or after July 1, 2022, the**
24 **Department of Revenue shall recompute the \$250,000 minimum cap on**
25 **allowable real market value provided under subsection (6) of this sec-**
26 **tion as follows:**

27 “**(A) Divide the average Consumer Price Index for All Urban Con-**
28 **sumers, West Region, for the first six months of the current calendar**
29 **year by the average Consumer Price Index for All Urban Consumers,**
30 **West Region, for the first six months of 2021.**

1 **“(B) Recompute the minimum cap on allowable real market value**
2 **by multiplying \$250,000 by the appropriate indexing factor determined**
3 **under subparagraph (A) of this paragraph.**

4 **“(b) Any change in the minimum cap on allowable real market**
5 **value determined under paragraph (a) of this subsection shall be**
6 **rounded to the nearest multiple of \$500.**

7 **“(8) For purposes of subsection (6) of this section, a surviving**
8 **spouse or disabled heir who is eligible to claim continuation of deferral**
9 **under ORS 311.688 is considered to have owned and occupied the**
10 **homestead from the date on which the deceased individual or individ-**
11 **uals who filed the claim for deferral first owned and occupied the**
12 **homestead.**

13 **“SECTION 4. (1) The amendments to ORS 311.666, 311.668 and 311.670**
14 **by sections 1 to 3 of this 2021 Act apply to claims for deferral filed on**
15 **or after the effective date of this 2021 Act.**

16 **“(2) An individual whose claim was denied before the effective date**
17 **of this 2021 Act solely because the real market value of the individual’s**
18 **property exceeded the applicable maximum allowable real market**
19 **value under ORS 311.670 (6) is not barred from filing a new claim for**
20 **deferral on or after the effective date of this 2021 Act for property tax**
21 **years beginning on or after July 1, 2021.**

22 **“SECTION 5. ORS 311.672 is amended to read:**

23 **“311.672. (1)(a) A taxpayer’s claim for deferral under ORS 311.666 to**
24 **311.701 must:**

25 **“(A) Be in writing on a form supplied by the Department of Revenue;**

26 **“(B) Describe the homestead;**

27 **“(C) Recite all facts establishing the eligibility, as of the earlier of the**
28 **date of filing or April 15 immediately preceding the property tax year**
29 **for which deferral is claimed, of the homestead for, and of the taxpayers**
30 **to claim, the deferral; and**

1 “(D) Have attached:

2 “(i) Any documentary proof required by the department; and

3 “(ii) A statement verified by a written declaration of all taxpayers
4 claiming deferral to the effect that the statements contained in the claim are
5 true.

6 “(b) [*The*] A claim for deferral must be filed with the assessor of the
7 county in which the homestead is located, after January 1 and on or before
8 April 15 immediately preceding the property tax year for which deferral is
9 claimed.

10 “(c) **Notwithstanding paragraph (b) of this subsection, a claim for**
11 **deferral may be filed with the county assessor after April 15 imme-**
12 **diately preceding the property tax year for which deferral is claimed**
13 **and on or before December 1 of the same calendar year. A claim filed**
14 **under this paragraph must be accompanied by a fee in an amount**
15 **equal to 10 percent of the property taxes assessed on the homestead**
16 **on the last certified assessment and tax roll, but in no event less than**
17 **\$20 or greater than \$150.**

18 “(d) **For applications for deferral for each property tax year begin-**
19 **ning on or after July 1, 2023, the department shall recompute the upper**
20 **and lower fee limits set forth in paragraph (c) of this subsection as**
21 **follows:**

22 “(A) **Divide the average Consumer Price Index for All Urban Con-**
23 **sumers, West Region, for the first six months of the calendar year**
24 **immediately preceding the calendar year in which the application is**
25 **filed by the average Consumer Price Index for All Urban Consumers,**
26 **West Region, for the first six months of 2021.**

27 “(B) **Multiply each fee limit set forth in paragraph (c) of this sub-**
28 **section by the quotient determined under subparagraph (A) of this**
29 **paragraph.**

30 “(C) **Round each fee limit determined under subparagraph (B) of**

1 **this paragraph to the nearest multiple of \$10, but in no event to less**
2 **than \$20.**

3 “(2) The county assessor shall forward each claim filed under this section
4 to the Department **of Revenue**, and the department shall determine whether
5 the property is eligible for the deferral.

6 “(3) If the taxpayers and the homestead are determined to be eligible un-
7 der ORS 311.668 and 311.670, respectively, a timely claim for deferral has the
8 effect of:

9 “(a) Deferring the payment of the property taxes levied on the homestead
10 for the property tax year beginning on July 1 of the **calendar** year in which
11 the claim is filed.

12 “(b) Continuing the deferral of the payment by the taxpayers of any
13 property taxes deferred under ORS 311.666 to 311.701 for previous years that
14 have not become delinquent under ORS 311.686.

15 “(c) Except as otherwise provided in ORS 311.689, continuing the deferral
16 of the payment by the taxpayers of any future property taxes for as long as
17 the homestead remains eligible for, and the taxpayers remain eligible to
18 claim, the deferral.

19 “(4)(a) Notwithstanding subsection (3) of this section:

20 “(A) For the property tax year beginning on July 1, 2012, the maximum
21 number of claims for deferral under ORS 311.666 to 311.701 that may be
22 granted to taxpayers who have not previously been granted deferral is the
23 number of such claims granted for the property tax year beginning on July
24 1, 2011, multiplied by 105 percent.

25 “(B) For each property tax year beginning after July 1, 2012, the maxi-
26 mum number of claims for deferral that may be granted to taxpayers who
27 have not previously been granted deferral is the maximum number deter-
28 mined under this subsection for the immediately preceding property tax year
29 multiplied by 105 percent.

30 “(b) For purposes of paragraph (a) of this subsection, **surviving** spouses

1 **and disabled heirs** who continue deferral under ORS 311.688 are not con-
2 sidered taxpayers who have not previously been granted deferral.

3 “(c) If the number of eligible claims described in paragraph (a) of this
4 subsection **that are filed on or before the deadline set forth in sub-**
5 **section (1)(b) of this section** exceeds the maximum number determined
6 under paragraph (a) of this subsection, claims shall be granted in ascending
7 order based on the ratio that is equal to the real market value of the
8 homestead, **as entered on the [last] certified assessment and tax roll for the**
9 **property tax year immediately preceding the property tax year for**
10 **which the claim is filed**, divided by the county median RMV of the home-
11 stead determined under ORS 311.670 (6), until the maximum number deter-
12 mined under paragraph (a) of this subsection is reached.

13 “(d) **If the number of eligible claims described in paragraph (a) of**
14 **this subsection that have been filed on or before the deadline set forth**
15 **in subsection (1)(b) of this section do not equal or exceed the maxi-**
16 **imum number determined under paragraph (a) of this subsection, eli-**
17 **gible claims that are filed on or before the deadline set forth in**
18 **subsection (1)(c) of this section shall be granted in chronological order**
19 **based on the filing date until the maximum number is reached. If the**
20 **number of eligible claims filed on the date on which the maximum is**
21 **reached would cause the maximum number to be exceeded, all claims**
22 **filed on that date shall be denied deferral for that property tax year.**

23 “(5) Any taxpayer aggrieved by the denial of a claim for, or discontinua-
24 tion of, deferral under ORS 311.666 to 311.701 may appeal in the manner
25 provided by ORS 305.404 to 305.560.

26 “**SECTION 6. The amendments to ORS 311.672 by section 5 of this**
27 **2021 Act apply to claims for deferral for property tax years beginning**
28 **on or after July 1, 2022.**

29 “**SECTION 7. ORS 311.688 is amended to read:**

30 “311.688. (1) Notwithstanding ORS 311.684, when *[one of the circumstances*

1 *listed in ORS 311.684 (1) to (3) occurs, the spouse]* **a taxpayer dies, the**
2 **surviving spouse or disabled heir of the taxpayer** who was not eligible
3 to or did not file a claim jointly with the taxpayer may continue the property
4 in its deferred tax status by filing a claim in the manner prescribed under
5 ORS 311.672 if:

6 “(a)(A) The **surviving** spouse of the taxpayer is or will be 60 years of age
7 or older not later than six months [*from the day the circumstance listed in*
8 *ORS 311.684 (1) to (3) occurs]* **following the date on which the taxpayer**
9 **died; [and] or**

10 “(B) **The disabled heir of the taxpayer is otherwise eligible to claim**
11 **deferral under ORS 311.668 (1)(a)(B); and**

12 “(b) **Within two years following the date on which the taxpayer died,**
13 the property is **or becomes** the homestead of the **surviving spouse or dis-**
14 **abled heir** of the taxpayer and **otherwise** meets the requirements of ORS
15 311.670.

16 “(2)(a) A **surviving** spouse who does not meet the age requirements of
17 subsection (1)(a) of this section but is otherwise qualified to continue the
18 property in its tax-deferred status under subsection (1) of this section may
19 continue the deferral of property taxes deferred for previous years by filing
20 a claim in the manner prescribed under ORS 311.672.

21 “(b) If a **surviving** spouse eligible for and continuing the deferral of taxes
22 previously deferred under this subsection becomes 62 years of age prior to
23 April 15 of any year, the **surviving** spouse may continue the deferral of
24 previous years’ taxes deferred under this subsection and may elect to defer
25 the current assessment year’s taxes on the homestead by filing a claim in the
26 manner prescribed under ORS 311.672.

27 “(c) After a claim is filed under paragraph (b) of this subsection, payment
28 of the taxes levied on the homestead and deferred under this subsection and
29 payment of taxes levied on the homestead in the current assessment year and
30 in future years may be deferred under ORS 311.666 to 311.701.

1 “(3)(a) **Initial claims made pursuant to this section may not be filed**
2 **late under ORS 311.672.**

3 “(b) Notwithstanding [ORS 311.672] **paragraph (a) of this subsection,**
4 if the Department of Revenue determines that good and sufficient cause ex-
5 ists for the failure of a **surviving spouse or disabled heir** to file a claim
6 under this section on or before April 15, the claim may be filed within 180
7 days after notice of taxes due and payable under ORS 311.686 is [*mailed or*
8 *delivered*] **sent** by the department to the taxpayer or [*spouse*] **surviving**
9 **spouse or disabled heir.**

10 “**SECTION 8. The amendments to ORS 311.688 by section 7 of this**
11 **2021 Act apply to claims for deferral filed on or after the effective date**
12 **of this 2021 Act.**

13 “**SECTION 9.** Section 24, chapter 723, Oregon Laws 2011, as amended by
14 section 31, chapter 723, Oregon Laws 2011, is amended to read:

15 “**Sec. 24.** (1) The amendments to ORS 305.612, 311.356, 311.666, 311.668,
16 311.670, 311.672, 311.676, 311.679, 311.681, 311.684, 311.686, 311.688, 311.689,
17 311.691, 311.693, 311.695, 311.700, 311.701, 314.430 and 410.422 by sections 1 to
18 4, 6 to 18, 20, 21 and 29, **chapter 723, Oregon Laws 2011,** [*of this 2011*
19 *Act*] apply to property tax years beginning on or after July 1, 2011.

20 “(2) The amendments to ORS 311.674 by section 5, **chapter 723, Oregon**
21 **Laws 2011,** [*of this 2011 Act*] apply to interest that accrues on taxes ad-
22 vanced to counties for tax-deferred property for property tax years beginning
23 on or after July 1, 2011.

24 “[(3) *A claim for an initial year of deferral, or for continued deferral, under*
25 *ORS 311.666 to 311.701 may not be filed on or after April 16, 2021, and deferral*
26 *may not be granted for a property tax year beginning after July 1, 2021.*]

27 “**SECTION 10. Section 11 of this 2021 Act is added to and made a**
28 **part of ORS 311.666 to 311.701.**

29 “**SECTION 11. A claim for an initial year of deferral, or for con-**
30 **tinued deferral, under ORS 311.666 to 311.701 may not be filed on or**

1 **after December 2, 2032, and deferral may not be granted for a property**
2 **tax year beginning after July 1, 2032.**

3 **“SECTION 12.** ORS 311.693 is amended to read:

4 “311.693. (1)[(a)] Delay in foreclosure on account of delinquent taxes as
5 provided in ORS 311.691 may not be granted unless the owner of the tax-
6 deferred homestead files an application for the delay with the county
7 assessor prior to the date the period of redemption expires under ORS
8 312.120.

9 “[*(b) An application filed under this subsection must contain or be accom-*
10 *panied by a verified statement of total household income of the owner for the*
11 *calendar year immediately preceding the calendar year in which the applica-*
12 *tion is filed.*]

13 “(2)(a) Upon receipt of an application under subsection (1) of this section,
14 the county assessor shall approve or deny the application.

15 “(b) If the application is denied, the owner may appeal to the circuit court
16 in the county where the tax-deferred homestead property is located within
17 90 days after notice in writing of the denial is mailed to the owner by the
18 county assessor.

19 “(c) Orders of the circuit court in an appeal taken under this subsection
20 may be appealed to the Court of Appeals within the time and in the manner
21 provided under ORS 312.210.

22 **“SECTION 13.** The amendments to ORS 311.693 by section 12 of this
23 **2021 Act apply to applications for delay in foreclosure filed on or after**
24 **the effective date of this 2021 Act.**

25 **“SECTION 14.** Section 15 of this 2021 Act is added to and made a
26 **part of ORS 311.666 to 311.701.**

27 **“SECTION 15.** Notwithstanding ORS 311.688 (3)(a), a surviving
28 **spouse or disabled heir may file an initial claim for deferral for the**
29 **property tax year beginning on July 1, 2021, as authorized under ORS**
30 **311.688, on or before December 1 immediately following the effective**

1 **date of this 2021 Act.**

2 **“SECTION 16.** ORS 311.694 is amended to read:

3 “311.694. (1) At the time that the property is deeded over to the county
4 at the conclusion of the foreclosure proceedings pursuant to ORS 312.200 the
5 county court shall order the county treasurer to pay to the Department of
6 Revenue from the unsegregated tax collections account the amount of **un-**
7 **collected** deferred taxes and [*interest which were not*] **any interest that**
8 **accrued prior to August 15 of the year in which the deferred taxes first**
9 **became delinquent, or that accrues after the property is deeded to the**
10 **county, and that has not been** collected.

11 “(2) Immediately upon payment, the county treasurer shall notify the tax
12 collector of the amount paid to the department for the property which has
13 been deeded to the county pursuant to ORS 312.200.

14 **“SECTION 17. The amendments to ORS 311.694 by section 16 of this**
15 **2021 Act apply to orders for payment issued on or after the effective**
16 **date of this 2021 Act.**

17 **“SECTION 18. This 2021 Act takes effect on the 91st day after the**
18 **date on which the 2021 regular session of the Eighty-first Legislative**
19 **Assembly adjourns sine die.”.**

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