

Background

HB 4054 extends the sunset on the historic property special assessment to June 30, 2023. The Department of Revenue draws your attention to two aspects of the bill that appear to conflict with the bill's intent.

Section 6 eliminates the portion of ORS 358.505(2)(a) that requires using a ratio mandated by Article 11, Section 11(2) of the Oregon Constitution when a property is newly-eligible for a special assessment. We recall from the Historic Property Work Group that the group's intent was eliminate the double benefit that taxpayers now obtain under the historic property special assessment. The way to eliminate that double benefit without contravening the constitution is to leave ORS 358.505(2)(a) as is and instead amend ORS 358.505(1)(a) to create a specially-assessed value tied to real market value rather than to assessed value.

The -1 amendment does not resolve this ratio issue because Article XI, Section 11(2) of the constitution says the ratio must be applied to the specially-assessed value, not the real market value.

Section 4 extends the sunset, but it is not clear how taxpayers would be able to apply for the coming property tax year with an April 1 application deadline and an effective date of the bill in June. It is also unclear whether new provisions of the act are intended to apply to taxpayers who are already participating in the special assessment program.

Agency Contact

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