

HB 2086 A STAFF MEASURE SUMMARY
House Committee On Revenue

Carrier: Rep. Marsh

Action Date: 03/22/23
Action: Do pass with amendments. (Printed A-Eng.)
Vote: 5-0-2-0
Yeas: 5 - Levy B, Marsh, Nathanson, Nguyen D, Walters
Exc: 2 - Reschke, Smith G
Fiscal: Fiscal impact issued
Revenue: No revenue impact
Prepared By: Beau Olen, Economist
Meeting Dates: 2/15, 3/14, 3/22

WHAT THE MEASURE DOES:

Allows petitioner to request correction to property tax roll for current tax year and up to five preceding years. Requires Department of Revenue to add information to property tax bills about how to contact the county assessor's office with questions if the property's assessed value for the current tax year increased by more three percent over the prior tax year. Requires county assessor to make corrections to tax roll following petition. Applies to tax years beginning on or after July 1, 2024. Takes effect 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Testimony of a taxpayer's experience with an assessor mistake and appeals process.
- Testimony of an assessor's concern regarding the administrative notification requirements in section 2 of introduced House Bill 2086.
- Whether there is a way for county assessor corrections of property tax bills, if any, to follow a timeline that encourages timely corrections. A correction often requires less effort when it is identified sooner and considers property tax due dates of November 15, February 15, and May 15.

EFFECT OF AMENDMENT:

Replaces the proposed requirement for property tax bill to provide a reason if the property's assessed value for the current tax year increased by more three percent over the prior tax year with the requirement that a property tax bill provide information about how to contact the county assessor's office with questions if the property's assessed value for the current tax year increased by more three percent over the prior tax year.

BACKGROUND:

Assessed value can increase by more than 3 percent over the prior tax year due to:

- Improvements made to the property
- A broad decline in property value, resulting in assessed value equal to real market value, followed by more than 3 percent growth in real market value

A correction to the tax roll can increase, decrease, or have no effect on tax imposed. An "officer may correct an error in valuation judgment...if the correction results in a reduction of the tax owed on the account" [ORS 311.205(1)(b)(A)]. Additionally, "The officer may correct any other error or omission of any kind" [ORS 311.205(1)(b)(C)].