

HB 3461

Property Tax Deferral:
Wildfire Victims

House Committee on Revenue

LRO | 5/3/2023



Outline

- What the bill does
- Measure history
- Policy considerations





What the bill does

- Authorizes, following application, property tax deferral for eligible homestead in amount that exceeds 103 percent of 2020-21 property tax
 - Up to extent of square footage of destroyed homestead rebuilt by same owner on same lot to replace homestead destroyed by September 2020 wildfires
- Deferral claims may be made temporarily, for property tax years beginning on or after July 1, 2022, and before July 1, 2027
- Takes effect 91st day after sine die





Measure history

House Committee on Revenue

- 3/22 — Public Hearing
- Issues discussed:
 - Whether intent of bill is for deferred taxes to become due, with interest
 - Repayment of deferred property taxes and Senior Property Tax Deferral Revolving Account (ORS 311.701)
 - Section 1(4)(a) of HB 3461 and full text provision in Oregon Constitution, Article IV, section 22
 - Property tax amount when homestead is rebuilt on same square footage as previous homestead





Measure history (cont.)

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Policy Considerations

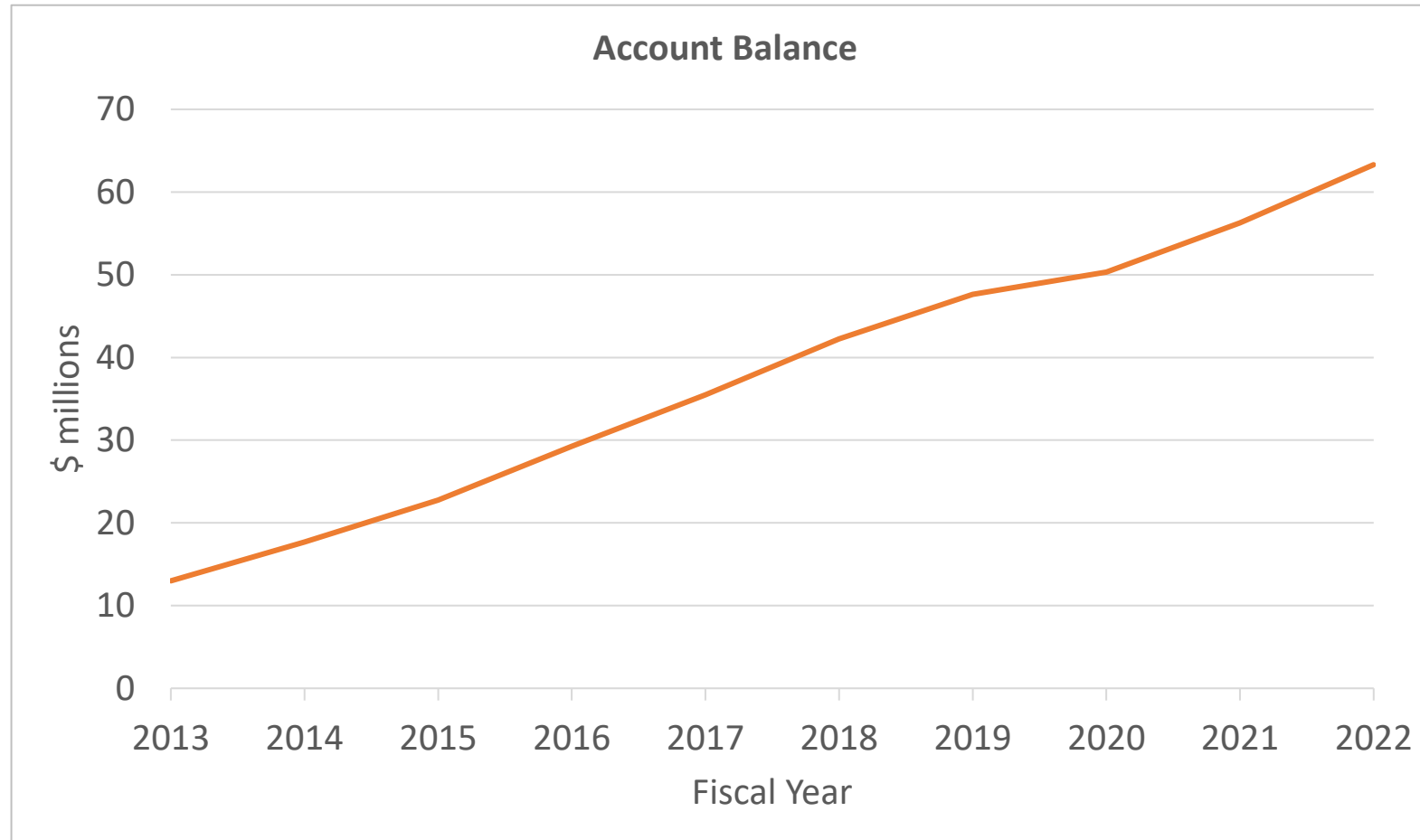
- Repayments of deferred property taxes are comingled with other funds in Senior Property Tax Deferral Revolving Account:
 - Senior or disabled deferral
 - Special assessment for local improvement deferral
 - DOR's "expenses in administering the property tax and special assessment senior deferral programs"





Policy Considerations (cont.)

Senior Property Tax Deferral Revolving Account





Policy Considerations (cont.)

Relating to lack of adherence to full text provision:

- As currently written:
 - Unclear whether intent of bill is for local governments to forego repayment of deferred amounts [311.676(1); 311.701(1)-(2)]. Deferral programs listed previously do not forego repayment of deferred amounts
 - Unclear whether intent of bill is for deferred taxes to become due, with interest [311.674(3); 311.676(2); 311.701(3)]. Interest is due for deferral programs listed previously



Legislative Revenue Office

<https://www.oregonlegislature.gov/lro>

503-986-1266

State of Oregon

LEGISLATIVE REVENUE OFFICE

