

**SB 142 STAFF MEASURE SUMMARY**

**Senate Committee On Housing and Development**

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**Action Date:** 02/15/23

**Action:** Do pass and refer to Tax Expenditures by prior reference.

**Vote:** 5-0-0-0

**Yeas:** 5 - Anderson, Jama, Knopp, Patterson, Sollman

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

**Prepared By:** Kevin Rancik, LPRO Analyst

**Meeting Dates:** 2/8, 2/15

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**WHAT THE MEASURE DOES:**

Extends sunset from default expiration date of June 30, 2024, to June 30, 2030, for property tax exemption for former cemetery or crematory land used for exempt low-income housing.

**ISSUES DISCUSSED:**

- Origin of the tax exemption and amount of usage
- Awareness of the exemption
- Availability of eligible land
- Location of eligible land in relation to services for potential residents

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Cemetery and crematory land becomes taxable once the land ceases to be used or held exclusively for such purposes. The tax amount charged upon disqualification of exempt status is equal to the taxes that would have been in place for the previous 10 years if the land had not been exempt.

These taxes do not apply, however, if the owner applies for and receives an exemption for use of the land as low-income rental housing, and the land is used as such housing for 10 years after the transfer from cemetery use. This legislation was enacted in 2018 without a specific period of applicability, setting a default six year sunset for the exemption.

Senate Bill 142 extends the sunset of the cemetery to low income housing property tax exemption from June 30, 2024 to June 30, 2030.