

# Enrolled House Bill 2507

Sponsored by Representative NATHANSON; Representatives FAHEY, HOLVEY, Senators MEEK, SOLLMAN (at the request of UA Local 290 Plumbers and Steamfitters) (Presession filed.)

CHAPTER .....

AN ACT

Relating to property tax exemption; creating new provisions; amending ORS 305.842 and 307.580; and prescribing an effective date.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 307.580 is amended to read:

307.580. (1) If not otherwise exempt by law and upon compliance with ORS 307.162, all real and personal property or [*proportion thereof*] **portion of the property** owned or being purchased by an industry apprenticeship or training trust is exempt from property taxation if:

(a) The trust is organized pursuant to a trust instrument solely for the purpose of aiding or assisting in the implementation or operation of one or more apprenticeship or training programs that conform to and are conducted under ORS 660.002 to 660.210;

(b) The property or [*proportion thereof*] **portion of the property** that is the subject of the exemption is actually and exclusively occupied and used in the implementation or operation of an apprenticeship or training program or programs that are established under, conform to and are conducted under ORS 660.002 to 660.210; and

(c) The trust is considered an organization exempt from federal income taxes under the federal Internal Revenue Code or other laws of the United States relating to federal income taxes.

(2) If property described under subsection (1) of this section would be exempt from taxation except that it is held under lease or lease-purchase agreement by the trust rather than owned or being purchased by it, the property shall be exempt from taxation upon compliance with and subject to ORS 307.112.

**(3)(a) Property may be deemed to be actually and exclusively occupied and used as required under subsection (1)(b) of this section if the property is:**

**(A) Owned or being purchased by an industry apprenticeship or training trust that is a corporation described in section 501(c)(3) of the Internal Revenue Code that is exempt from income taxation under section 501(a) of the Internal Revenue Code; and**

**(B) Occupied and used:**

**(i) By another corporation described in section 501(c)(3) of the Internal Revenue Code that is exempt from income taxation under section 501(a) of the Internal Revenue Code;**

**(ii) For the purposes for which the other corporation is granted the federal exemption; and**

**(iii) For no more than seven consecutive days, or 30 cumulative days, in any property tax year.**

**(b) This subsection applies to property regardless of whether the corporation described in paragraph (a)(B) of this subsection makes a rental payment for the occupancy or use of the property.**

[3] (4) No exemption shall be allowed under subsection (1) or (2) of this section if the property is used in the implementation or operation of an apprenticeship or training program that discriminates with respect to its participants on the basis of age, race, religion, sex or national origin.

**SECTION 2.** ORS 305.842, as amended by section 17, chapter 83, Oregon Laws 2022, is amended to read:

305.842. (1) As used in ORS 307.130, 307.147, **307.580**, 308A.450, 310.140 and 310.800, "Internal Revenue Code" means the federal Internal Revenue Code as amended and in effect on December 31, 2021.

(2) As used in ORS 311.666, "Internal Revenue Code" means the federal Internal Revenue Code as amended and in effect on December 31, 2021, including amendments that take effect after that date.

**SECTION 3.** The amendments to ORS 305.842 and 307.580 by sections 1 and 2 of this 2023 Act apply to property tax years beginning on or after July 1, 2023.

**SECTION 4.** This 2023 Act takes effect on the 91st day after the date on which the 2023 regular session of the Eighty-second Legislative Assembly adjourns sine die.

**Passed by House April 18, 2023**

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Timothy G. Sekerak, Chief Clerk of House

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Dan Rayfield, Speaker of House

**Passed by Senate May 2, 2023**

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Rob Wagner, President of Senate

**Received by Governor:**

.....M.,....., 2023

**Approved:**

.....M.,....., 2023

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Tina Kotek, Governor

**Filed in Office of Secretary of State:**

.....M.,....., 2023

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Secretary of State