

House Bill 3446

Sponsored by Representative DIEHL

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Provides for homestead rebuilt by same owner on same lot to replace homestead destroyed by September 2020 wildfires to have frozen assessed value equal to assessed value for 2020-2021 property tax year to extent of destroyed homestead's square footage. Terminates frozen assessed value for first property tax year that succeeds earlier of date on which property is no longer intended for occupancy as homestead or transfer of ownership of homestead.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to the assessment of rebuilt homesteads; and prescribing an effective date.

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

4 **SECTION 1. (1) As used in this section:**

5 (a) **"Destroyed homestead" means a homestead that was destroyed or significantly dam-**
6 **aged by wildfire between September 1, 2020, and September 30, 2020, in a county included in**
7 **the geographical area covered by a state of emergency declared in response to the wildfire.**

8 (b) **"Eligible property" means the total square footage of a rebuilt homestead that does**
9 **not exceed the total square footage of the destroyed homestead that the rebuilt homestead**
10 **replaces.**

11 (c) **"Homestead" has the meaning given that term in ORS 311.666.**

12 (d) **"Rebuilt homestead" means a homestead that was constructed to replace a destroyed**
13 **homestead by the same owner on the same lot.**

14 (2) **The governing body of a county may adopt by ordinance the method of freezing the**
15 **assessed value of eligible property set forth in this section.**

16 (3)(a) **Eligible property may be granted a frozen assessed value that:**

17 (A) **For the first property tax year for which a frozen assessed value is granted, equals**
18 **the assessed value of the destroyed homestead as shown on the tax statement delivered**
19 **pursuant to ORS 311.250 for the property tax year that began on July 1, 2020; and**

20 (B) **For every subsequent property tax year for which a frozen assessed value is granted,**
21 **equals 103 percent of the frozen assessed value from the prior year.**

22 (b) **Property within the same property tax account that is not eligible property shall be**
23 **assessed and taxed as other property similarly situated is assessed and taxed.**

24 (4) **The assessed value of the eligible property for any property tax year during which the**
25 **eligible property is granted a frozen assessed value under this section shall be the least of:**

26 (a) **The eligible property's maximum assessed value as determined under ORS 308.146;**

27 (b) **The eligible property's real market value; or**

28 (c) **The eligible property's frozen assessed value as determined under subsection (3)(a)**
29 **of this section.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (5) A frozen assessed value may be claimed for property tax years beginning on or after
2 July 1, 2021.

3 (6) A claim for a frozen assessed value for property under this section must:

4 (a) Be in writing on a form supplied by the Department of Revenue;

5 (b) Describe both the destroyed homestead and the rebuilt homestead;

6 (c) Recite all facts establishing the eligibility of the property for the frozen assessed
7 value; and

8 (d) Have attached:

9 (A) Any information or documentation required by the department; and

10 (B) A written declaration by the applicant, subject to penalties for false swearing, that
11 the statements contained in the claim are true.

12 (7)(a) Claims for a frozen assessed value must be filed, with the assessor of the county
13 in which the rebuilt homestead is located, after January 1 and on or before April 15 imme-
14 diately preceding the property tax year for which the frozen assessed value is first claimed.

15 (b) Notwithstanding paragraph (a) of this subsection, a claim for a frozen assessed value
16 for the property tax years beginning on July 1, 2021, July 1, 2022, or July 1, 2023, may be filed
17 no later than December 31, 2023.

18 (8) If the property is determined to be eligible property, a timely claim for the frozen
19 assessed value has the effect of requiring the county assessor to determine the total amount
20 of taxes due on the eligible property in accordance with this section.

21 (9) Any individual aggrieved by the denial of a claim for a frozen assessed value under
22 this section may appeal to the Oregon Tax Court in the manner provided under ORS 305.404
23 to 305.560.

24 (10) Eligible property shall be assessed and taxed as other property similarly situated is
25 assessed and taxed beginning with the property tax year that immediately succeeds the ear-
26 lier of:

27 (a) The date on which the eligible property is no longer intended for occupancy as a
28 homestead; or

29 (b) The date on which ownership of the rebuilt homestead is transferred to another per-
30 son.

31 (11)(a) Property other than eligible property that is added to the property tax account
32 of the rebuilt homestead during the period of frozen assessed value shall be considered to
33 be new property or new improvements to property under ORS 308.153 for the assessment
34 year in which the added property is first taken into account.

35 (b) Notwithstanding ORS 308.149 and 308.153 and paragraph (a) of this subsection, the
36 value of new components, including, but not limited to, wiring, insulation and plumbing that
37 are required to comply with building codes applicable to the rebuilt homestead may not be
38 considered new property or new improvements for purposes of ORS 308.149.

39 (12) If the grant of a frozen assessed value under this section results in an overpayment
40 of taxes paid, the amount of the overpayment shall be refunded in the manner prescribed in
41 ORS 311.806.

42 (13) The frozen assessed value available under this section is in addition to and not in lieu
43 of any other property tax limit, exemption or partial exemption, special assessment or
44 deferral.

45 **SECTION 2.** This 2023 Act takes effect on the 91st day after the date on which the 2023

1 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

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