

Senate Bill 1012

Sponsored by Senator GIROD

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 temporarily have frozen assessed value equal to destroyed homestead's assessed value for 2020-2021 property tax year.

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 a rebuilt homestead to the extent that the total square**
9 **footage of the rebuilt homestead does not exceed the total square footage of the destroyed**
10 **homestead that the rebuilt homestead replaces.**

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

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

14 (2)(a) **Eligible property may be granted a frozen assessed value that equals the assessed**
15 **value of the destroyed homestead as shown on the tax statement delivered pursuant to ORS**
16 **311.250 for the property tax year that began on July 1, 2020.**

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

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

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

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

23 (c) **The eligible property's frozen assessed value.**

24 (4) **A frozen assessed value may be claimed for property tax years beginning on or after**
25 **July 1, 2021, and before July 1, 2027.**

26 (5) **A claim for a frozen assessed value for property under this section must:**

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

28 (b) **Describe both the destroyed homestead and the rebuilt homestead;**

29 (c) **Recite all facts establishing the eligibility of the rebuilt homestead for the frozen as-**
30 **sessed value; and**

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 (d) Have attached:

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

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

5 (6)(a) An initial claim for a frozen assessed value must be filed with the assessor of the
6 county in which the rebuilt homestead is located after January 1 and on or before April 15
7 immediately preceding the first property tax year for which the frozen assessed value is
8 claimed.

9 (b) Notwithstanding paragraph (a) of this subsection, an initial claim for a frozen as-
10 sessed value for the property tax years beginning on July 1, 2021, July 1, 2022, or July 1, 2023,
11 must be filed no later than December 31, 2025.

12 (7)(a) If all or any part of the rebuilt homestead is determined to be eligible property, a
13 timely claim for the frozen assessed value has the effect of requiring the county assessor to
14 determine the total amount of taxes due on the eligible property in accordance with this
15 section until the property tax year determined under paragraph (b) of this subsection.

16 (b) Eligible property shall be assessed and taxed as other property similarly situated is
17 assessed and taxed beginning with the property tax year that immediately succeeds the ear-
18 liest of:

19 (A) The date on which the rebuilt homestead is occupied by the owner;

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

22 (C) June 30, 2027.

23 (8) If the grant of a frozen assessed value under this section results in an overpayment
24 of taxes paid, the amount of the overpayment shall be refunded in the manner prescribed in
25 ORS 311.806.

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

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

33 (11) If a rebuilt homestead is transferred to new ownership in any year during which the
34 eligible property is granted a frozen assessed value, the frozen assessed value may continue
35 if:

36 (a) The new owner is an individual;

37 (b) The rebuilt homestead will be the new owner's principal dwelling; and

38 (c) Timely claims are filed under subsections (5) and (6) of this section.

39 (12) The frozen assessed value available under this section is in addition to and not in lieu
40 of any other property tax limit, exemption or partial exemption, special assessment or
41 deferral.

42 (13) ORS 315.037 does not apply to this section.

43 **SECTION 2.** Section 1 of this 2023 Act is repealed on January 2, 2030.

44 **SECTION 3.** This 2023 Act takes effect on the 91st day after the date on which the 2023
45 regular session of the Eighty-second Legislative Assembly adjourns sine die.

