

Senate Bill 198

Sponsored by Senator GORSEK (Presession filed.)

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**.

Clarifies distinction between commercial and residential floating structures for purposes of personal property tax return requirement.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to floating structures; creating new provisions; amending ORS 308.250 and 308.290; and
3 prescribing an effective date.

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

5 **SECTION 1.** ORS 308.290, as amended by section 1, chapter 96, Oregon Laws 2022, is amended
6 to read:

7 308.290. (1)(a) Except as provided in paragraph (b) of this subsection, every person and the
8 managing agent or officer of any business, firm, corporation or association owning, or having in
9 possession or under control taxable personal property shall make a return of the property for ad
10 valorem tax purposes to the assessor of the county in which the property has its situs for taxation.
11 As between a mortgagor and mortgagee or a lessor and lessee, however, the actual owner and the
12 person in possession may agree between them as to who shall make the return and pay the tax, and
13 the election shall be followed by the person in possession of the roll who has notice of the election.
14 Upon the failure of either party to file a personal property tax return on or before March 15 of any
15 year, both parties shall be jointly and severally subject to the provisions of ORS 308.296.

16 (b) The requirement to file a return under paragraph (a) of this subsection does not apply to:

17 (A) Personal property exempt from taxation under ORS 307.162.

18 (B) Manufactured structures classified as personal property under ORS 308.875.

19 (C) [*Floating homes as defined in ORS 830.700, unless, as of the assessment date of the current*
20 *assessment year,*] **Residential floating structures, if no** new property or new improvements, as
21 defined in ORS 308.149, have been added to the [*property tax account since the assessment date of the*
22 *preceding assessment year*] **floating structures since the prior January 1.**

23 (2) Every person and the managing agent or officer of any business, firm, corporation or asso-
24 ciation owning or in possession of taxable real property shall make a return of the property for ad
25 valorem tax purposes when so requested by the assessor of the county in which the property is sit-
26 uated.

27 (3)(a) Each return of personal property shall contain a full listing of the property and a state-
28 ment of its real market value, including a separate listing of those items claimed to be exempt as
29 imports or exports. Each statement shall contain a listing of the additions or retirements made since
30 the prior January 1, indicating the book cost and the date of acquisition or retirement. Each return
31 shall contain the name, assumed business name, if any, and address of the owner of the personal

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 property and, if it is a partnership, the name and address of each general partner or, if it is a cor-
2 poration, the name and address of its registered agent.

3 (b) Each return of real property shall contain a full listing of the several items or parts of the
4 property specified by the county assessor and a statement exhibiting their real market value. Each
5 return shall contain a listing of the additions and retirements made during the year indicating the
6 book cost, book value of the additions and retirements or the appraised real market value of re-
7 tirements as specified in the return by the assessor.

8 (c) There shall be annexed to each return the affidavit or affirmation of the person making the
9 return that the statements contained in the return are true. All returns shall be in a form that the
10 county assessor, with the approval of the Department of Revenue, may prescribe.

11 (4) All returns shall be filed on or before March 15 of each year.

12 (5)(a) In lieu of the returns required under subsection (1)(a) or (2) of this section, every person
13 and the managing agent or officer of any business, firm, corporation or association owning or having
14 in possession or under control taxable real and personal property that is state-appraised industrial
15 property as defined in ORS 306.126 shall file a combined return of the real and personal property
16 with the Department of Revenue.

17 (b) The contents and form of the return shall be as prescribed by rule of the department. Any
18 form shall comply with ORS 308.297. Notwithstanding ORS 308.875, a manufactured structure that
19 is a part of a state-appraised industrial property shall be included in a combined return.

20 (c) In order that the county assessor may comply with ORS 308.295, the department shall provide
21 a list to the assessor of all combined returns that are required to be filed with the department under
22 this subsection but that were not filed on or before the due date.

23 (d) If the department has delegated appraisal of the state-appraised industrial property to the
24 county assessor under ORS 306.126 (3), the department shall notify the person otherwise required
25 to file the combined return under this subsection as soon as practicable after the delegation that the
26 combined return is required to be filed with the assessor.

27 (e) Notwithstanding subsection (2) of this section, a combined return of real and personal prop-
28 erty that is state-appraised industrial property shall be filed with the department on or before March
29 15 of each year.

30 (6) A return is not in any respect controlling on the county assessor or on the Department of
31 Revenue in the assessment of any property. On any failure to file the required return, the property
32 shall be listed and assessed from the best information obtainable from other sources.

33 (7)(a) All returns filed under the provisions of this section and ORS 308.525 and 308.810 are
34 confidential records of the Department of Revenue or the county assessor's office in which the re-
35 turns are filed or of the office to which the returns are forwarded under paragraph (b) of this sub-
36 section.

37 (b) The assessor or the department may forward any return received in error to the department
38 or the county official responsible for appraising the property described in the return.

39 (c) Notwithstanding paragraph (a) of this subsection, a return described in paragraph (a) of this
40 subsection may be disclosed to:

41 (A) The Department of Revenue or its representative;

42 (B) The representatives of the Secretary of State or to an accountant engaged by a county under
43 ORS 297.405 to 297.555 for the purpose of auditing the county's personal property tax assessment
44 roll (including adjustments to returns made by the Department of Revenue);

45 (C) The county assessor, the county tax collector, the assessor's representative or the tax

1 collector's representative for the purpose of:

2 (i) Collecting delinquent real or personal property taxes; or

3 (ii) Correctly reflecting on the tax roll information reported on returns filed by a business op-
4 erating in more than one county or transferring property between counties in this state during the
5 tax year;

6 (D) Any reviewing authority to the extent the return being disclosed relates to an appeal
7 brought by a taxpayer;

8 (E) The Division of Child Support of the Department of Justice or a district attorney to the
9 extent the return being disclosed relates to a case for which the Division of Child Support or the
10 district attorney is providing support enforcement services under ORS 25.080; or

11 (F) The Legislative Revenue Officer for the purpose of preparation of reports, estimates and
12 analyses required by ORS 173.800 to 173.850.

13 (d) Notwithstanding paragraph (a) of this subsection:

14 (A) The Department of Revenue may exchange property tax information with the authorized
15 agents of the federal government and the several states on a reciprocal basis, or with county
16 assessors, county tax collectors or authorized representatives of assessors or tax collectors.

17 (B) Information regarding the valuation of leased property reported on a property return filed
18 by a lessor under this section may be disclosed to the lessee or other person in possession of the
19 property. Information regarding the valuation of leased property reported on a property return filed
20 by a lessee under this section may be disclosed to the lessor of the property.

21 (8) If the assessed value of any personal property in possession of a lessee is less than the
22 maximum amount described in ORS 308.250 (2)(a), the person in possession of the roll may disregard
23 an election made under subsection (1)(a) of this section and assess the owner or lessor of the prop-
24 erty.

25 **(9) As used in this section:**

26 (a) **"Commercial floating structure" means a floating structure that is used for the pro-**
27 **duction of income or for commercial purposes.**

28 (b) **"Floating structure" means any structure supported on water by a flotation system**
29 **that is secured to a pier, pilings, walkway or ramp.**

30 (c)(A) **"Residential floating structure" means a floating structure that is for noncom-**
31 **mercial residential use.**

32 (B) **"Residential floating structure" includes, but is not limited to, floating homes,**
33 **boathouses and tenders.**

34 (d) **"Taxable personal property" includes, but is not limited to, commercial floating**
35 **structures.**

36 **SECTION 2.** ORS 308.250, as amended by section 3, chapter 96, Oregon Laws 2022, is amended
37 to read:

38 308.250. (1) All personal property not exempt from ad valorem taxation or subject to special
39 assessment shall be valued at 100 percent of its real market value, as of January 1, at 1:00 a.m. and
40 shall be assessed at its assessed value determined as provided in ORS 308.146.

41 (2) Notwithstanding subsection (1) of this section:

42 (a) If the total assessed value of all taxable personal property of any taxpayer assessable in any
43 county that is required to be reported under ORS 308.290, and of all [*floating homes*] **residential**
44 **floating structures** of the taxpayer assessable in the county that are not required to be reported
45 under ORS 308.290 (1)(b)(C), is less than \$12,500 in any assessment year, the property is not subject

1 to ad valorem property taxation for that year.

2 (b) Manufactured structures of a taxpayer are not subject to ad valorem property taxation for
3 any assessment year in which, in a county with a population of more than 340,000 but less than or
4 equal to 570,000, the total assessed value of all manufactured structures taxable as personal prop-
5 erty under ORS 308.875 of the taxpayer is less than \$12,500.

6 (3)(a) Notwithstanding subsection (1) of this section, manufactured structures of a taxpayer are
7 not subject to ad valorem property taxation for any assessment year in which, in a county with a
8 population of more than 570,000, the total assessed value of all manufactured structures taxable as
9 personal property under ORS 308.875 of the taxpayer is less than:

10 (A) \$25,000; or

11 (B) A maximum dollar amount of \$25,000 or more, if adopted by the governing body of the county
12 for the assessment year.

13 (b) Notwithstanding subsection (1) of this section, the governing body of a county with a popu-
14 lation of more than 570,000 may grant a partial exemption for all manufactured structures taxable
15 as personal property in a dollar amount adopted by the county. The dollar amount shall be sub-
16 tracted from the total assessed value of the property.

17 (c) The governing body of a county that adopts a dollar amount under paragraph (a)(B) or (b)
18 of this subsection must notify the county assessor on or before January 1 of the assessment year for
19 which the county first intends the dollar amount to apply.

20 (4)(a) On or around January 1 of each year, the county assessor may provide notice to each
21 taxpayer whose taxable personal property is not subject to ad valorem property taxation for the
22 current property tax year under subsection (2)(a) of this section.

23 (b) Notice provided under this subsection shall:

24 (A) State that the taxpayer's personal property is not subject to ad valorem property taxation
25 for the current property tax year.

26 (B) Include a form prescribed by the Department of Revenue by rule on which the taxpayer may
27 attest by signing the form that the taxpayer has not added or deleted any taxable personal property
28 since the prior assessment year.

29 (C) State that, if the taxpayer has added or deleted personal property since the prior assessment
30 year, the taxpayer is required to submit to the county assessor a signed business personal property
31 return with an updated asset detail list on or before March 15.

32 (c) A signed form returned to the county assessor within the time required under ORS 308.290
33 shall be sufficient to make the taxable personal property of the taxpayer identified in the notice not
34 subject to ad valorem property taxation for the subsequent property tax year.

35 (5)(a) For each tax year beginning on or after July 1, 2003, the Department of Revenue shall
36 recompute the maximum amount of the assessed value of taxable personal property in subsections
37 (2)(a) and (b) and (3)(a)(A) and (B) of this section as follows:

38 (A) Divide the average Consumer Price Index for All Urban Consumers, West Region, for the
39 prior calendar year by the average U.S. City Average Consumer Price Index for 2002.

40 (B) Recompute the maximum amount of assessed value under subsection (2)(a) or (b) of this
41 section by multiplying \$12,500 or \$25,000, as applicable, by the appropriate indexing factor deter-
42 mined as provided in subparagraph (A) of this paragraph.

43 (b) As used in this subsection:

44 (A) "Consumer Price Index for All Urban Consumers, West Region" means the Consumer Price
45 Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Sta-

1 tistics of the United States Department of Labor.

2 (B) "U.S. City Average Consumer Price Index" means the U.S. City Average Consumer Price
3 Index for All Urban Consumers (All Items) as published by the Bureau of Labor Statistics of the
4 United States Department of Labor.

5 (c) If any change in the maximum amount of assessed value determined under paragraph (a) of
6 this subsection is not a multiple of \$500, the increase shall be rounded to the nearest multiple of
7 \$500.

8 **SECTION 3. The amendments to ORS 308.250 and 308.290 by sections 1 and 2 of this 2023**
9 **Act apply to property tax years beginning on or after July 1, 2023.**

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

12