

SB 919-2
(LC 1064)
3/24/23 (ASD/ps)

Requested by Senator JAMA

**PROPOSED AMENDMENTS TO
SENATE BILL 919**

1 In line 2 of the printed bill, after “housing” insert “; and prescribing an
2 effective date”.

3 Delete lines 4 through 8 and insert:

4 **“SECTION 1. (1)(a) For purposes of ad valorem property taxation,
5 property of an owner, lessee or other person responsible for paying the
6 taxes on the property is eligible for exemption under this section if the
7 property is:**

8 **“(A)(i) A newly constructed accessory dwelling unit as defined in
9 ORS 215.501; or**

10 **“(ii) A duplex, triplex or quadplex that has been newly converted
11 from a single-family dwelling; and**

12 **“(B) During the period of the exemption:**

13 **“(i) Used as the occupant’s primary residence; and**

14 **“(ii) Not rented out for consideration as transient lodging for any
15 duration.**

16 **“(b) For purposes of this section, property shall be considered newly
17 constructed or newly converted if, following the completion of the
18 construction or conversion, a certificate of occupancy was issued for
19 the property at any time within the 12-month period immediately
20 preceding the date on which a claim for the exemption is first filed
21 under subsection (3) of this section.**

1 “(c) Eligible property shall be exempt from taxation for an initial
2 property tax year and not more than the four succeeding property tax
3 years.

4 “(d) Only one exemption may be granted under this section per tax
5 account.

6 “(2) A claim for exemption under this section for eligible property
7 must:

8 “(a) Be in writing on a form supplied by the Department of Reve-
9 nue;

10 “(b) Describe the property;

11 “(c) Recite all facts establishing the eligibility of the property for
12 the exemption; and

13 “(d) Have attached:

14 “(A) Any information or documentation required by the depart-
15 ment; and

16 “(B) A written declaration by the claimant, subject to penalties for
17 false swearing, that the statements contained in the claim are true.

18 “(3)(a) A claim for an initial year of the exemption granted under
19 this section must be filed with the assessor of the county in which the
20 eligible property is located:

21 “(A) If the certificate of occupancy for the eligible property is is-
22 sued on or after July 1 and on or before March 1 of the immediately
23 succeeding calendar year, after January 1 and on or before April 1
24 immediately preceding the property tax year for which the exemption
25 is claimed; or

26 “(B) If the certificate of occupancy is issued after March 1 and be-
27 fore July 1, after April 1 immediately preceding the property tax year
28 for which the exemption is claimed and on or before August 1 of the
29 property tax year for which the exemption is claimed.

30 “(b) Claims for the succeeding years of the exemption must be filed

1 annually with the county assessor after January 1 and on or before
2 April 1 immediately preceding the property tax year for which the ex-
3 emption is claimed.

4 “(4) Any person aggrieved by the denial of a claim for exemption
5 under this section may appeal to the Oregon Tax Court in the manner
6 provided under ORS 305.404 to 305.560.

7 “(5) Each year that eligible property is granted exemption, the
8 county assessor shall enter on the assessment and tax roll that the
9 eligible property is subject to potential additional taxes as provided
10 under subsection (8) of this section, by adding the notation ‘potential
11 additional taxes.’

12 “(6) If eligible property is transferred to new ownership within the
13 five-year period of the exemption, the exemption may continue for the
14 remaining number of years granted if:

15 “(a) The property continues to qualify as eligible property described
16 in subsection (1) of this section; and

17 “(b) Timely claims are filed under subsection (3) of this section.

18 “(7) Upon the earlier of the date on which the five-year period of
19 exemption granted under this section expires, or new property or new
20 improvements as defined in ORS 308.149 are added to the tax account
21 that includes the eligible property, the eligible property shall:

22 “(a) Have for the immediately succeeding property tax year a max-
23 imum assessed value as determined under ORS 308.156 (5); and

24 “(b) Be assessed and taxed as other property similarly situated is
25 assessed and taxed.

26 “(8)(a) Paragraph (b) of this subsection applies if, as of January 1
27 of any assessment year within the five-year period of the exemption,
28 the eligible property:

29 “(A) Is no longer occupied as the primary residence of any individ-
30 ual; or

1 **“(B) Has been rented out for consideration as transient lodging for**
2 **any duration.**

3 **“(b) Upon discovery or notice from the taxpayer that a circum-**
4 **stance listed in paragraph (a) of this subsection has occurred, the**
5 **county assessor shall:**

6 **“(A) Immediately terminate the property’s exemption;**

7 **“(B) For the immediately succeeding property tax year, determine**
8 **the maximum assessed value of the property under ORS 308.156 (5);**

9 **“(C) Assess and tax the property as other property similarly situ-**
10 **ated is assessed and taxed; and**

11 **“(D) Notwithstanding ORS 311.235, add to the general property tax**
12 **roll for the property tax year next following the date of termination,**
13 **to be collected and distributed in the same manner as other ad**
14 **valorem property taxes, an amount equal to the difference between the**
15 **taxes assessed against the eligible property during the period of the**
16 **exemption and the taxes that would have been assessed against the**
17 **property if it had never been granted the exemption, for each of the**
18 **years for which the eligible property was granted the exemption.**

19 **“(c) Additional taxes collected under this section shall be deemed**
20 **to have been imposed in the year to which the additional taxes relate.**

21 **“(9) The exemption granted under this section is in addition to and**
22 **not in lieu of any other property tax limit, exemption or partial ex-**
23 **emption, special assessment or deferral.**

24 **“(10) ORS 306.353 to 306.359 and 315.037 do not apply to this section.**

25 **“SECTION 2. Section 1 of this 2023 Act applies to property tax years**
26 **beginning on or after July 1, 2024.**

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

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