



## **SJR 201 An important referral to the voters**

Senate Finance and Revenue – Jody Wiser – 2.12.2024

SJR 201 proposes an amendment to the Oregon Constitution to fix a problem created by Measures 5 and 50. The Department of Revenue realized that the interpretation of the law being used by assessors was not correct. A workgroup struggled with this issue for a couple of years. They attempted to solve the issue without a referral but found no solution.

The problem is that a property owner can take an exemption such as the homestead exemption for active duty military, historic property, surviving spouse of public safety officer, or disabled veterans, or other partial exemption and at the end of the exemption, under current law, they should have their assessed value reset.

But the new assessed value when a property exits an exemption will be based on the current Change Property Ratio (CPR). This means that the taxes going forward will be either more or less than they would have been if the taxpayer had never entered the exemption program, sometimes dramatically different.

This creates a situation where assessors cannot advise a taxpayer because they can't predict the future Change Property Ratio. Taxpayers may get a nasty surprise, or a big benefit.

There are lots of inequities in our property tax system, but this is one that can be fixed. This change may be hard to explain to voters, but it makes the law agree with what assessors have been doing and is the only just solution to the problem.

We urge your support of SJR 201 with the amendment suggested by the Department of Revenue.

*We read the bills and follow the money*