

HB 3249 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 2/20

WHAT THE MEASURE DOES:

Creates a 50 percent exemption of property tax for the owner-occupied principal dwelling of an individual who is at least 65 years of age and the individual’s surviving spouse regardless of age. The partial exemption is in addition to any other property tax relief. Applies to property tax years beginning on or after July 1, 2026.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Currently, five property tax exemptions or special assessments in Oregon are designed to benefit seniors by providing property tax relief to senior service providers. All but one of these programs are designed such that the relief is passed through to seniors in the form of lower rental rates at long-term care or elderly housing facilities. Alternatively, the Homestead Property Tax Deferral program is available for individuals who are at least 62 years of age or qualify for Social Security disability benefits. The State pays the property taxes due on the homestead on behalf of participating homeowners. All deferred taxes, interest, and fees are due when the owner moves, sells the homestead, or dies. Simple six percent interest accrues annually on the deferred property taxes.