

House Bill 3232

Sponsored by Representative NATHANSON, Senators MANNING JR, GOLDEN; Representative LIVELY, Senators CAMPOS, PHAM K (Pre-session 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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would ease one of the rules for an existing limited equity co-op to be able to claim the low income rental housing tax break. (Flesch Readability Score: 60.0).

Removes the eligibility requirement for the low income rental housing property tax exemption that property of a limited equity cooperative be constructed or converted after the local governing body adopts the exemption program.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to exemption of property owned by a limited equity cooperative; creating new provisions;
3 amending ORS 307.520; and prescribing an effective date.

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

5 **SECTION 1.** ORS 307.520 is amended to read:

6 307.520. (1) Property or a portion of property owned by a limited equity cooperative is exempt
7 from taxation as provided under ORS 307.515 to 307.523 if:

8 (a) The property is occupied by low income persons holding a proprietary lease in the limited
9 equity cooperative;

10 (b) The charges paid by the occupant to the limited equity cooperative for occupancy reflect the
11 full value of the property tax exemption;

12 (c) The exemption has been approved as provided in ORS 307.523, pursuant to an application
13 filed before July 1, 2030; **and**

14 *[(d) The housing units on the property were constructed, or converted to limited equity cooperative*
15 *ownership, after the local governing body adopted the provisions of ORS 307.515 to 307.523; and]*

16 *[(e)]* **(d)** The information disclosed on the application filed pursuant to ORS 307.521 meets any
17 other criteria adopted by the governing body.

18 (2) A governing body that adopts the provisions of ORS 307.515 to 307.523 may adopt additional
19 criteria for exemption that do not conflict with the criteria described in subsection (1)(a) to *[(d)]* (c)
20 of this section.

21 **SECTION 2.** The amendments to ORS 307.520 by section 1 of this 2025 Act apply to claims
22 for exemption under ORS 307.520 for property tax years beginning on or after July 1, 2026.

23 **SECTION 3.** This 2025 Act takes effect on the 91st day after the date on which the 2025
24 regular session of the Eighty-third Legislative Assembly adjourns sine die.

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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.