

HB 3712-1  
(LC 4648)  
5/5/25 (ASD/ps)

Requested by Representative RESCHKE

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3712**

1 On page 1 of the printed bill, delete line 27 and insert:

2 “(A) Household income of \$70,000 or more; or”.

3 On page 2, delete lines 5 and 6 and insert:

4 “(B) Recompute the maximum household income by multiplying \$70,000  
5 by the appropriate indexing factor determined under subparagraph (A) of this  
6 paragraph.”.

7 Delete lines 15 through 45 and delete pages 3 and 4 and insert:

8 **“SECTION 2.** ORS 311.670 is amended to read:

9 “311.670. (1) Property is not eligible for tax deferral under ORS 311.666  
10 to 311.701 unless, at the time a claim is filed and during the period for which  
11 deferral is claimed, the property meets the requirements of this section.

12 “(2)(a) The property for which the claim is filed must have been the  
13 homestead of the individual or individuals who file the claim for deferral for  
14 at least five years preceding April 15 of the year in which the claim is filed.

15 “(b) The five-year requirement under paragraph (a) of this subsection does  
16 not apply to a homestead that meets all other requirements of this section,  
17 if the individual or individuals filing the claim for deferral:

18 “(A) Are required to be absent from the homestead by reason of health;

19 “(B)(i) Moved to the homestead for which the claim is filed from a  
20 homestead that was granted deferral under ORS 311.666 to 311.701 and was  
21 of greater real market value than the homestead for which the claim is filed;

1       “(ii) Sell the prior homestead within one year of purchasing the home-  
2       stead for which the claim is filed;

3       “(iii) Satisfy any lien created under ORS 311.673 or 311.679 and attached  
4       to the prior homestead; and

5       “(iv) Provide a written attestation that the individual or individuals in-  
6       curred debt for not more than 80 percent of the purchase price of the home-  
7       stead for which the claim is filed; or

8       “(C) Are a surviving spouse or disabled heir claiming continuation of  
9       deferral under ORS 311.688.

10       “(3) The individual claiming the deferral, individually or jointly, must  
11       own the fee simple estate under a recorded instrument of sale, or two or  
12       more individuals together must own the fee simple estate with rights of  
13       survivorship under a recorded instrument of sale if all owners live in the  
14       property and if all owners apply for the deferral jointly.

15       “(4)(a) The homestead must be insured for fire and other casualty.

16       “(b) If the homestead meets all other requirements of this section and is  
17       insurable for fire and other casualty but not insured, the Department of  
18       Revenue may purchase insurance for the homestead and add the cost of the  
19       insurance coverage to a lien created under ORS 311.679.

20       “(5) There may be no prohibition to the deferral of property taxes con-  
21       tained in any provision of federal law, rule or regulation applicable to a  
22       mortgage, trust deed, land sale contract or conditional sale contract for  
23       which the homestead is security.

24       “(6) A homestead is not eligible for deferral under ORS 311.666 to 311.701  
25       unless the real market value of the homestead entered on the certified as-  
26       sessment and tax roll for the property tax year immediately preceding the  
27       property tax year for which the taxes will be deferred is less than the greater  
28       of \$250,000 or:

29       “[(a) 100 percent of county median RMV if, as of April 15 of the year in  
30       which a claim is filed, the taxpayers have continuously owned and occupied

1 *the homestead less than seven years.]*

2 “[*(b)* 110 percent of county median RMV if, as of April 15 of the year in  
3 which a claim is filed, the taxpayers have continuously owned and occupied  
4 the homestead at least seven years but less than nine years.]

5 “[*(c)* 120 percent of county median RMV if, as of April 15 of the year in  
6 which a claim is filed, the taxpayers have continuously owned and occupied  
7 the homestead at least nine years but less than 11 years.]

8 “[*(d)* 130 percent of county median RMV if, as of April 15 of the year in  
9 which a claim is filed, the taxpayers have continuously owned and occupied  
10 the homestead at least 11 years but less than 13 years.]

11 “[*(e)* 140 percent of county median RMV if, as of April 15 of the year in  
12 which a claim is filed, the taxpayers have continuously owned and occupied  
13 the homestead at least 13 years but less than 15 years.]

14 “[*(f)*] **(a)** 150 percent of county median RMV if, as of April 15 of the year  
15 in which a claim is filed, the taxpayers have continuously owned and occu-  
16 pied the homestead [*at least 15 years but*] less than 17 years.

17 “[*(g)*] **(b)** 160 percent of county median RMV if, as of April 15 of the year  
18 in which a claim is filed, the taxpayers have continuously owned and occu-  
19 pied the homestead at least 17 years but less than 19 years.

20 “[*(h)*] **(c)** 170 percent of county median RMV if, as of April 15 of the year  
21 in which a claim is filed, the taxpayers have continuously owned and occu-  
22 pied the homestead at least 19 years but less than 21 years.

23 “[*(i)*] **(d)** 200 percent of county median RMV if, as of April 15 of the year  
24 in which a claim is filed, the taxpayers have continuously owned and occu-  
25 pied the homestead at least 21 years but less than 23 years.

26 “[*(j)*] **(e)** 225 percent of county median RMV if, as of April 15 of the year  
27 in which a claim is filed, the taxpayers have continuously owned and occu-  
28 pied the homestead at least 23 years but less than 25 years.

29 “[*(k)*] **(f)** 250 percent of county median RMV if, as of April 15 of the year  
30 in which a claim is filed, the taxpayers have continuously owned and occu-

1   pied the homestead for 25 years or more.

2       “(7)(a) For each tax year beginning on or after July 1, 2022, the Depart-  
3   ment of Revenue shall recompute the \$250,000 minimum cap on allowable real  
4   market value provided under subsection (6) of this section as follows:

5       “(A) Divide the average Consumer Price Index for All Urban Consumers,  
6   West Region, for the first six months of the current calendar year by the  
7   average Consumer Price Index for All Urban Consumers, West Region, for  
8   the first six months of 2021.

9       “(B) Recompute the minimum cap on allowable real market value by  
10   multiplying \$250,000 by the appropriate indexing factor determined under  
11   subparagraph (A) of this paragraph.

12       “(b) Any change in the minimum cap on allowable real market value de-  
13   termined under paragraph (a) of this subsection shall be rounded to the  
14   nearest multiple of \$500.

15       “(8) For purposes of subsection (6) of this section, a surviving spouse or  
16   disabled heir who is eligible to claim continuation of deferral under ORS  
17   311.688 is considered to have owned and occupied the homestead from the  
18   date on which the deceased individual or individuals who filed the claim for  
19   deferral first owned and occupied the homestead.

20       **“SECTION 3. The amendments to ORS 311.668 and 311.670 by**  
21 **sections 1 and 2 of this 2025 Act apply to property tax years beginning**  
22 **on or after July 1, 2026.**

23       **“SECTION 4. Section 5 of this 2025 Act is added to and made a part**  
24 **of ORS 311.666 to 311.701.**

25       **“SECTION 5. (1) The Legislative Revenue Officer shall conduct a**  
26 **study of the homestead property tax deferral program under ORS**  
27 **311.666 to 311.701.**

28       **“(2) The focus of the study shall be:**

29       **“(a) The equity in homesteads held by:**

30       **“(A) Taxpayers whose homesteads have been granted deferral; and**

**“(B) Taxpayers whose claims for deferral have been denied; and**

**“(b) The advantages and disadvantages of determining an individual’s eligibility under ORS 311.668 on the basis of a claimant’s equity in the homestead rather than the claimant’s household income.**

**“(3) The Legislative Revenue Officer shall submit a report of the findings of the study, in the manner provided in ORS 192.245, to the interim committees of the Legislative Assembly related to revenue, no later than September 15, 2026.**

**“SECTION 6. Section 5 of this 2025 Act is repealed on January 2, 2028.”.**

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