

SB 387-7  
(LC 861)  
5/21/25 (ASD/ps)

Requested by SENATE COMMITTEE ON FINANCE AND REVENUE

**PROPOSED AMENDMENTS TO  
SENATE BILL 387**

On page 1 of the printed bill, delete lines 5 through 29 and delete pages 2 through 5 and insert:

**“SECTION 1.** ORS 307.250 is amended to read:

“307.250. (1) As used in [*this section and ORS 307.260, 307.262 and 307.270,*] **ORS 307.250 to 307.280:**

**“(a) ‘Surviving spouse of a veteran’ means a veteran’s surviving spouse who has not remarried.**

**“(b) ‘Taxable income’ has the meaning given that term in ORS 316.022.**

**“(c) ‘Veteran’** has the meaning given that term in ORS 408.225.

“(2) Upon compliance with ORS 307.260, **and subject to subsection (7) of this section,** there shall be exempt from taxation not to exceed [*\$15,000*] **\$60,000** of the assessed value of the homestead or personal property of any of the following residents of this state other than those described in subsection (3) **or (4)** of this section:

“(a) Any veteran who is officially certified by the United States Department of Veterans Affairs or any branch of the Armed Forces of the United States as having disabilities of 40 percent or more.

“(b) Any veteran having served with the United States Armed Forces who, as certified by one duly licensed physician or naturopathic physician, is rated as having disabilities of 40 percent or more. [*However, a veteran shall*

1 *be entitled to the exemption granted under this paragraph only if the veteran*  
2 *during the calendar year immediately preceding the assessment year for which*  
3 *the exemption is claimed had total gross income, including pensions, disability*  
4 *compensation or retirement pay, or any combination of such payments from the*  
5 *United States Government on account of such service, of not more than 185*  
6 *percent of federal poverty guidelines.]*

7 “[*(c) The surviving spouse remaining unmarried of a veteran, but the ex-*  
8 *emption shall apply only to the period preceding the date of the first remar-*  
9 *riage of the surviving spouse.*]

10 **“(c) The surviving spouse of a veteran.**

11 **“(3) Upon compliance with ORS 307.260, and subject to subsection (7)**  
12 **of this section,** there shall be exempt from taxation not to exceed [\$18,000]  
13 **\$65,000** of the assessed value of the homestead or personal property of any  
14 of the following residents of this state:

15 **“(a) Any veteran who is officially certified by the United States Depart-**  
16 **ment of Veterans Affairs or any branch of the Armed Forces of the United**  
17 **States as having service-connected disabilities of at least 40 percent [or**  
18 **more] but less than 100 percent.**

19 **“(b) The surviving spouse [remaining unmarried] of a veteran described**  
20 **in paragraph (a) of this subsection,** if the veteran died as a result of  
21 service-connected injury or illness or if the veteran received at least one year  
22 of the maximum exemption from taxation [allowed] **granted** under [para-  
23 *graph (a) of]* this subsection after 1981 for a veteran certified as having  
24 service-connected disabilities of **at least 40 percent [or more] but less than**  
25 **100 percent.**

26 **“(4) Upon compliance with ORS 307.260, and subject to subsection**  
27 **(7) of this section, there shall be exempt from taxation not to exceed**  
28 **\$150,000 of the assessed value of the homestead or personal property**  
29 **of any of the following residents of this state:**

30 **“(a) Any veteran who is officially certified by the United States**

1 Department of Veterans Affairs or any branch of the Armed Forces  
2 of the United States as having:

3 “(A) A service-connected disability of 100 percent; or

4 “(B) More than one service-connected disability, the ratings of  
5 which, if added together, would equal 100 percent or more.

6 “(b) The surviving spouse of a veteran described in paragraph (a)  
7 of this subsection, if the veteran died as a result of service-connected  
8 injury or illness or if the veteran received at least one year of the  
9 maximum exemption from taxation granted under this subsection af-  
10 ter 2024 for a veteran certified as having service-connected disabilities  
11 described in this subsection.

12 “[4] (5) The amount of the exemption [allowed] granted under sub-  
13 section (2), [or] (3) or (4) of this section shall equal 103 percent of the  
14 amount of the exemption for the prior tax year.

15 “(6)(a) Subject to subsection (7) of this section, the homestead or  
16 personal property of any residents of this state described in paragraph  
17 (b) of this subsection shall be exempt from taxation under paragraph  
18 (c) of this subsection.

19 “(b) The residents referred to in paragraph (a) of this subsection  
20 are:

21 “(A) Any veteran who:

22 “(i) Is officially certified by the United States Department of Vet-  
23 erans Affairs or any branch of the Armed Forces of the United States  
24 as having a service-connected disability of 100 percent or as having  
25 more than one service-connected disability, the ratings of which, if  
26 added together, would equal 100 percent or more; and

27 “(ii) Meets the criteria of the United States Department of Veterans  
28 Affairs for individual unemployability.

29 “(B) The surviving spouse of a veteran, if the veteran died as a re-  
30 sult of service-connected injury or illness or if the veteran received

1 at least one year of the maximum exemption from taxation under  
2 paragraph (c) this subsection after 2024 for a veteran certified as hav-  
3 ing service-connected disabilities described in subparagraph (A) of this  
4 paragraph.

5 “(c) If the property taxes assessed on the homestead or personal  
6 property of a resident described in paragraph (b) of this subsection for  
7 the current property tax year exceed 14 percent of the resident’s tax-  
8 able income for the last full income tax year preceding the current  
9 property tax year, upon compliance with ORS 307.260, the property  
10 shall be 90 percent exempt for the next succeeding property tax year.

11 “(7)(a) The exemptions available under this section may be granted  
12 only to the homestead or personal property of an otherwise eligible  
13 resident who has taxable income for the last full income tax year  
14 preceding the current property tax year of not more than \$120,000 if  
15 the resident files a separate state return or not more than \$240,000 if  
16 the resident files a joint state return.

17 “(b) The Department of Revenue shall annually adjust the maxi-  
18 mum taxable income amounts specified in paragraph (a) of this sub-  
19 section to reflect the increase, if any, in the average Consumer Price  
20 Index for All Urban Consumers, West Region (All Items), as published  
21 by the Bureau of Labor Statistics of the United States Department of  
22 Labor, since July 1, 2025.

23 “(8)(a)(A) The county assessor shall compute and list the value and  
24 compute and list the amount of property taxes that would have been  
25 charged on each property receiving an exemption under subsection (4)  
26 or (6) of this section had the property not received an exemption.

27 “(B) The county assessor shall subtract the amount of property  
28 taxes charged on the exempt property from the amount of property  
29 taxes that would have been charged on the property had it not received  
30 the exemption.

1       “(C) On or before October 15, the county assessor shall certify the  
2 amount of the difference computed under subparagraph (B) of this  
3 paragraph for each county to the Department of Revenue and to the  
4 county treasurer.

5       “(b) Not later than November 15, the department shall pay to each  
6 county treasurer the amount of the difference computed under para-  
7 graph (a)(B) of this subsection as certified for the county.

8       “(c) Payments made by the department to the county treasurers  
9 under this subsection shall be distributed to the taxing districts of the  
10 county in accordance with the schedule of percentages computed un-  
11 der ORS 311.390.

12       “(9) An exemption granted under this section to the property of a  
13 surviving spouse of a veteran applies solely to the period preceding the  
14 date of the first remarriage of the surviving spouse of a veteran and  
15 ends on the date of remarriage.

16       “SECTION 2. ORS 307.260 is amended to read:

17       “307.260. (1)(a) Each veteran or surviving spouse **of a veteran** [*qualifying*  
18 *for*] **seeking** the exemption under ORS 307.250 [*shall*] **must** file with the  
19 county assessor, on forms supplied by the assessor, a claim [*therefor*] **for**  
20 **exemption** in writing on or before April 1 of the assessment year for which  
21 the exemption is claimed, except that when the property designated is ac-  
22 quired after March 1 but prior to July 1 the claim [*shall*] **must** be filed  
23 within 30 days after the date of acquisition.

24       “(b) A claim [*need not be filed under this section in order to be allowed*]  
25 **for** the exemption described in ORS 307.250 **is not required** if:

26       “(A) The homestead or personal property of the veteran or surviving  
27 spouse **of a veteran** was [*allowed*] **granted** the exemption under ORS 307.250  
28 for the preceding tax year;

29       “(B) The individual claiming the exemption is a veteran described in ORS  
30 307.250 (2)(a), [*or*] (3)(a) **or (4)(a)** or a surviving spouse **of a veteran** who

1 meets the requirements of ORS 307.250 (2)(c), [or] (3)(b) **or (4)(b) or has**  
2 **complied with subsection (4) of this section;** and

3 “(C) As of the filing date for the current tax year, the ownership and use  
4 of the homestead or personal property and all other [qualifying] conditions  
5 **of eligibility** for the homestead or personal property to be [allowed] **granted**  
6 the exemption remain unchanged.

7 “(c)(A) If the individual claiming the exemption is a veteran described in  
8 ORS 307.250 (2)(b), the claimant [shall] **must** file a claim annually that sat-  
9 isfies the requirements of subsection (2) of this section on or before the date  
10 required in paragraph (a) of this subsection.

11 “(B) If the county assessor has not received a claim filed under this par-  
12 agraph on or before April 1 of the current year, not later than April 10 of  
13 each year, the county assessor shall notify the veteran in the county who  
14 [secured] **was granted** an exemption under ORS 307.250 (2)(b) in the preced-  
15 ing year but who did not [make application therefor] **file a claim for the**  
16 **exemption** on or before April 1 of the current year. The county assessor  
17 may provide the notification on an unsealed postal card. A veteran so noti-  
18 fied may [secure] **be granted** the exemption, if still [qualified] **eligible**, by  
19 [making application therefor to] **filing a claim for the exemption with** the  
20 county assessor not later than May 1 of the current year, accompanied by  
21 a late-filing fee of \$10, which shall be deposited in the general fund of the  
22 county for general governmental expenses. If the claim for any tax year is  
23 not filed within the time specified, the exemption may not be [allowed]  
24 **granted** on the assessment roll for that year.

25 “(2)(a) [The claim shall] **A claim filed under this section must** set out  
26 the basis of the claim and designate the property to which the exemption  
27 may apply. Except as provided in subsection (3) of this section, **there must**  
28 **be affixed to** claims for [exemptions] **exemption** under ORS 307.250 (2)(a),  
29 [and] (3)(a) **and (4)(a)** [shall have affixed thereto] the certificate last issued  
30 by United States Department of Veterans Affairs or the branch of the Armed

Forces of the United States, as [*the case may be*] **applicable**, but dated within three years prior to the date of the claim for exemption, certifying the rate of disability of the claimant.

“(b) **Except as provided in subsection (3) of this section, there must be affixed to** claims for exemption under ORS 307.250 (2)(b) [*shall, except as provided in subsection (3) of this section, have affixed thereto, in addition to*] the certificate last issued by a licensed physician or naturopathic physician and dated within one year prior to the date of the claim for exemption, certifying the rate of disability of the claimant[, *a statement by the claimant under oath or affirmation setting forth the total gross income received by the claimant from all sources during the last calendar year*].

“(c) There **must** also [*shall*] be affixed to each claim the affidavit or affirmation of the claimant that the statements contained [*therein*] **in the claim** are true.

“(3) The provisions of subsection (2) of this section that require a veteran to affix to the claim certificates of the United States Department of Veterans Affairs, a branch of the Armed Forces of the United States or a licensed physician or naturopathic physician do not apply to a veteran who has filed the required certificate after attaining the age of 65 years or to a veteran who has filed, on or after September 27, 1987, a certificate certifying a disability rating that, under federal law, is permanent and cannot be changed.

“(4)(a) Notwithstanding subsection (1) of this section, a surviving spouse **of a veteran** may elect, at any time during the tax year, to continue [*the*] **an** exemption under ORS 307.250 without filing a new claim if:

“(A) The veteran died during the previous tax year; or

“(B) The property designated as the homestead was acquired after March 1 but prior to July 1 of the assessment year and the veteran died within 30 days of the date the property was acquired.

“(b) The surviving spouse of a veteran must notify the county assessor of the election.

1 “(c) Upon receipt of the notice, the county assessor shall continue the  
2 exemption if the surviving spouse **of a veteran** meets all of the eligibility  
3 requirements for *[an]* **the** exemption under ORS 307.250 other than the timely  
4 filing of a claim under subsection (1) of this section.

5 “(d) If taxes on the exempt value have been paid, the taxes shall be re-  
6 funded in the manner prescribed in paragraph *[(d)]* **(e)** of this subsection. If  
7 taxes on the exempt value have not been paid, the taxes and any interest on  
8 the taxes are abated.

9 “(e) The tax collector shall notify the governing body of the county of any  
10 refund required under this section and the governing body shall cause a re-  
11 fund of the taxes and any interest paid to be made from the unsegregated tax  
12 collections account described in ORS 311.385. The refund under this sub-  
13 section shall be made without interest. The county assessor and tax collector  
14 shall make the necessary corrections in the records of their offices.

15 **“SECTION 3.** ORS 307.270 is amended to read:

16 “307.270. (1) The exemption under ORS 307.250 applies to property *[a]* **that**  
17 **an eligible** veteran or surviving spouse **of a veteran** owns or has in pos-  
18 session under a recorded contract of purchase.

19 “**(2)** The exemption first applies to the homestead of the veteran or sur-  
20 viving spouse **of a veteran** and then to the personal property of the veteran  
21 or surviving spouse **of a veteran**.

22 “**(3)** Property of the spouse of *[the]* **a** veteran is deemed the homestead  
23 of the veteran if the veteran and the spouse of the veteran are living to-  
24 gether and occupying the property as their homestead.

25 “**(4)** When a veteran or surviving spouse **of a veteran** applies for ex-  
26 emption on properties in two or more counties, the total amount of the ex-  
27 emption allowed in all counties may not exceed the maximum amount of  
28 exemption under ORS 307.250.

29 “*[(2)]* **(5)** For each *[qualified]* **eligible** veteran or surviving spouse **of a**  
30 **veteran**, only one valid and allowable claim for an exemption on a home-



stead *[shall]* **may** be permitted in any one assessment year.

**“SECTION 3a. Section 4 of this 2025 Act is added to and made a part of ORS 307.250 to 307.283.**

**“SECTION 4. (1) Upon written request by the county assessor, the Department of Revenue shall disclose the information from a claimant’s income tax return that is necessary for the county assessor to make determinations under ORS 307.250 (6)(c) and (7).**

**“(2) The information disclosed by the department may not otherwise be disclosed by the department, or further disclosed by the county assessor, except as otherwise provided in ORS 314.835 or 314.840 or other applicable law.**

**“(3) The county assessor shall provide written notice to the officers, employees and agents of the county who will receive the confidential information of the provisions of ORS 314.835 and 314.991 (2) relating to the penalties for unlawful disclosure of confidential information.**

**“SECTION 5. Section 4 of this 2025 Act and the amendments to ORS 307.250, 307.260 and 307.270 by sections 1 to 3 of this 2025 Act apply to property tax years beginning on or after July 1, 2026.**

**“SECTION 6. There is appropriated to the Department of Revenue, for the biennium beginning July 1, 2025, out of the General Fund, the amount of \$\_\_\_\_\_ for the purpose of making payments to counties under ORS 307.250 (8)(b).**

**“SECTION 7. This 2025 Act takes effect on the 91st day after the date on which the 2025 regular session of the Eighty-third Legislative Assembly adjourns sine die.”.**

SB 387-7 5/21/25  
Proposed Amendments to SB 387