



HB 3755 Property tax exemptions for seniors

House Committee on Revenue – John Calhoun – 3.18.2025

My name is John Calhoun and I am representing Tax Fairness Oregon, a network of volunteers who advocate a rational and equitable tax code.

HB 3755 is one of a long list of bills seeking property tax relief for the residence of seniors with adjusted gross incomes not greater than \$150,000. This bill would provide an exemption that begins at age 65 of 5% growing each year until at age 84 it would have a 100% exemption.

As someone celebrating my 81st birthday in two weeks I appreciate the generosity of the bill's author who is willing to eliminate most of my personal property taxes. While I would likely not be eligible every year because of the income limitation, I could get a benefit I do not need. Actually, so would many others. Why should someone with close to twice the mean household income in Oregon deserve to have their property taxes eliminated solely because of their age?

Unfortunately, if this bill passes, local governments will be devastated. Over 13% of property tax revenue, \$1.2 billion, is paid for by seniors in owner-occupied homes according to LRO. We estimate that passage of this bill will cost local government \$100's of millions in lost revenue. A more precise calculation will have to come from LRO if this bill moves forward.

This bill assumes that seniors do not care about the services provided by local governments. Police and fire protection, libraries, mental health and homeless services, roads, and bridges would face cuts. All these services are critical to seniors. Schools for our grandchildren would also be impacted and yes, we care about them.

From a public policy perspective, the legislature should be very careful about reducing the income of non-state governments.

We do know that some seniors have issues with the cost of living and steadily increasing property taxes. As we have discussed in the past, the senior property tax deferral program is a more appropriate answer since it does not deprive local governments of revenue while it defers the tax payment for low-income seniors.

Please reject this bill and work to ensure more seniors know about the senior tax deferral program.

We read the bills and follow the money