

House Bill 2568

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim Committee on Revenue)

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**.

Decreases rate of interest payable on overdue property taxes to ____ percent.
Decreases rate of interest payable on property tax refunds to ____ percent.
Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to property taxation; amending ORS 311.505 and 311.812; and prescribing an effective date.

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

4 **SECTION 1.** ORS 311.505 is amended to read:

5 311.505. (1) Except as provided in subsection (6) of this section, the first one-third of all taxes
6 and other charges due from the taxpayer or property, levied or imposed and charged on the latest
7 tax roll, shall be paid on or before November 15, the second one-third on or before February 15, and
8 the remaining one-third on or before May 15 next following.

9 (2) Interest shall be charged and collected on any taxes on property, other charges, and on any
10 additional taxes or penalty imposed for disqualification of property for special assessment or ex-
11 emption, or installment thereof not paid when due, at the rate of [*one and one-third*] _____ percent
12 per month, or fraction of a month until paid.

13 (3) Discounts shall be allowed on partial or full payments of such taxes, made on or before No-
14 vember 15 as follows:

15 (a) Two percent on two-thirds of such taxes so paid.

16 (b) Three percent where all of such taxes are so paid.

17 (4) For purposes of this section, "taxes" includes all taxes on property as defined in ORS 310.140
18 and certified to the assessor under ORS 310.060 except taxes assessed on any other property which
19 have by any means become a lien against the property for which the payment was made.

20 (5) All interest collected and all discounts allowed shall be prorated to the several municipal
21 corporations, taxing districts and governmental agencies sharing in the taxes or assessments.

22 (6) If the total property tax is less than \$40, no installment payment of taxes shall be allowed.

23 **SECTION 2.** ORS 311.812 is amended to read:

24 311.812. (1) Except as provided in subsection (2) of this section, interest may not be paid upon
25 any tax refunds made under ORS 311.806.

26 (2) Interest as provided in subsection (3) of this section shall be paid on the following refunds:

27 (a) A refund resulting from the correction under ORS 308.242 (2) or (3) or 311.205 of an error
28 made by the assessor, Department of Revenue or tax collector.

29 (b) A refund resulting from a written stipulation of the county assessor or the county tax col-
30 lector if the written stipulation constitutes a final determination that is not subject to appeal.

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.

1 (c) Any refund ordered by the Department of Revenue if no appeal is taken or can be taken from
2 the department's order.

3 (d) Refunds ordered by the Oregon Tax Court or the Supreme Court if the order constitutes a
4 final determination of the matter.

5 (e) Refunds of taxes collected against real or personal property not within the jurisdiction of the
6 tax levying body.

7 (f) Refunds due to reductions in value ordered by a county board of property tax appeals where
8 no appeal is taken.

9 (g) Refunds due to reductions in value made pursuant to ORS 309.115.

10 (h) Refunds due to a claim for a veteran's exemption for a prior tax year that is filed pursuant
11 to ORS 307.262.

12 (3)(a) The interest provided by subsection (2) of this section shall be paid at the rate of [one]
13 _____ percent per month, or fraction of a month, computed from the time the tax was paid or from
14 the time the first installment thereof was due, whichever is the later. If a discount is given at the
15 time the taxes are paid, interest shall be computed only on the net amount of taxes to be refunded.
16 If any portion of a refund described in subsection (2) of this section results from an assessment based
17 on inaccurate information contained in a report filed by a taxpayer, interest shall be computed on
18 only the portion of the refund that is not attributable to the inaccurate information contained in the
19 taxpayer report.

20 (b) As used in this subsection, "report" means a return, statement or any other information
21 provided by a taxpayer in writing to the department or county assessor.

22 **SECTION 3. This 2011 Act takes effect on the 91st day after the date on which the 2011**
23 **session of the Seventy-sixth Legislative Assembly adjourns sine die.**

24