

B-Engrossed
Senate Bill 434

Ordered by the Senate June 9
Including Senate Amendments dated April 29 and June 9

Sponsored by Senator OLSEN (Presession 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.

Grants higher property tax exemption for property of veterans with service-connected disabilities of 100 percent **or more**. Grants exemption for surviving spouse of veteran who remains unmarried.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to the taxation of property of disabled veterans; creating new provisions; amending ORS
3 307.250, 307.260 and 307.270; and prescribing an effective date.

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

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

6 307.250. (1) As used in [*this section and ORS 307.260, 307.262 and 307.270,*] **ORS 307.250 to**
7 **307.280:**

8 (a) **"Surviving spouse of a veteran" means a veteran's surviving spouse who has not re-**
9 **married.**

10 (b) "Veteran" has the meaning given that term in ORS 408.225.

11 (2) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed
12 \$15,000 of the assessed value of the homestead or personal property of any of the following residents
13 of this state other than those described in subsection (3) **or** (4) of this section:

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

16 (b) Any veteran having served with the United States Armed Forces who, as certified by one
17 duly licensed physician, is rated as having disabilities of 40 percent or more. However, a veteran
18 shall be entitled to the exemption granted under this paragraph only if the veteran during the cal-
19 endar year immediately preceding the assessment year for which the exemption is claimed had total
20 gross income, including pensions, disability compensation or retirement pay, or any combination of
21 such payments from the United States Government on account of such service, of not more than 185
22 percent of federal poverty guidelines.

23 [*(c) The surviving spouse remaining unmarried of a veteran, but the exemption shall apply only to*
24 *the period preceding the date of the first remarriage of the surviving spouse.*]

25 (c) **The surviving spouse of a veteran.**

26 (3) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed
27 \$18,000 of the assessed value of the homestead or personal property of any of the following residents

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 of this state:

2 (a) Any veteran who is officially certified by the United States Department of Veterans Affairs
3 or any branch of the Armed Forces of the United States as having service-connected disabilities of
4 **at least 40 percent [or more] but less than 100 percent.**

5 (b) The surviving spouse [remaining unmarried] of a veteran, if the veteran died as a result of
6 service-connected injury or illness or if the veteran received at least one year of the maximum ex-
7 emption from taxation [allowed] **granted** under paragraph (a) of this subsection after 1981 for a
8 veteran certified as having service-connected disabilities of **at least 40 percent [or more] but less**
9 **than 100 percent.**

10 (4) **Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed**
11 **\$60,000 of the assessed value of the homestead or personal property of any of the following**
12 **residents of this state:**

13 (a) **Any veteran who is officially certified by the United States Department of Veterans**
14 **Affairs or any branch of the Armed Forces of the United States as having service-connected**
15 **disabilities of 100 percent or more.**

16 (b) **The surviving spouse of a veteran, if the veteran died as a result of service-connected**
17 **injury or illness or if the veteran received at least one year of the maximum exemption from**
18 **taxation granted under paragraph (a) of this subsection after 1981 for a veteran certified as**
19 **having service-connected disabilities of 100 percent or more.**

20 [(4)] (5) The amount of the exemption [allowed] **granted** under subsection (2), [or] (3) **or** (4) of
21 this section shall equal 103 percent of the amount of the exemption for the prior tax year.

22 (6) **An exemption granted under this section to the property of a surviving spouse of a**
23 **veteran applies solely to the period preceding the date of the first remarriage of the surviv-**
24 **ing spouse of a veteran and ends on the date of remarriage.**

25 **SECTION 2.** ORS 307.260 is amended to read:

26 307.260. (1)(a) Each veteran or surviving spouse **of a veteran** [qualifying for] **seeking** the ex-
27 emption under ORS 307.250 [shall] **must** file with the county assessor, on forms supplied by the
28 assessor, a claim [therefor] **for exemption** in writing on or before April 1 of the assessment year for
29 which the exemption is claimed, except that when the property designated is acquired after March
30 1 but prior to July 1 the claim [shall] **must** be filed within 30 days after the date of acquisition.

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

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

35 (B) The individual claiming the exemption is a veteran described in ORS 307.250 (2)(a) [or], (3)(a)
36 **or** (4)(a) or a surviving spouse **of a veteran** who meets the requirements of ORS 307.250 (2)(c)
37 [or], (3)(b) **or** (4)(b); and

38 (C) As of the filing date for the current tax year, the ownership and use of the homestead or
39 personal property and all other qualifying conditions for the homestead or personal property to be
40 [allowed] **granted** the exemption remain unchanged.

41 (c)(A) If the individual claiming the exemption is a veteran described in ORS 307.250 (2)(b), the
42 claimant [shall] **must** file a claim annually that satisfies the requirements of subsection (2) of this
43 section on or before the date required in paragraph (a) of this subsection.

44 (B) If the county assessor has not received a claim filed under this paragraph on or before April
45 1 of the current year, not later than April 10 of each year, the county assessor shall notify the

1 veteran in the county who *[secured]* **was granted** an exemption under ORS 307.250 (2)(b) in the
 2 preceding year but who did not *[make application therefor]* **file a claim for the exemption** on or
 3 before April 1 of the current year. The county assessor may provide the notification on an unsealed
 4 postal card. A veteran so notified may *[secure]* **be granted** the exemption, if still qualified, by
 5 *[making application therefor to]* **filing a claim for the exemption with** the county assessor not later
 6 than May 1 of the current year, accompanied by a late-filing fee of \$10, which shall be deposited in
 7 the general fund of the county for general governmental expenses. If the claim for any tax year is
 8 not filed within the time specified, the exemption may not be *[allowed]* **granted** on the assessment
 9 roll for that year.

10 (2)(a) *[The claim shall]* **A claim filed under this section must** set out the basis of the claim
 11 and designate the property to which the exemption may apply. Except as provided in subsection (3)
 12 of this section, **there must be affixed to** claims for *[exemptions]* **exemption** under ORS 307.250
 13 (2)(a) *[and]*, (3)(a) **and (4)(a)** *[shall have affixed thereto]* the certificate last issued by United States
 14 Department of Veterans Affairs or the branch of the Armed Forces of the United States, as *[the case*
 15 *may be]* **applicable**, but dated within three years prior to the date of the claim for exemption, cer-
 16 tifying the rate of disability of the claimant.

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

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

25 (3) The provisions of subsection (2) of this section that require a veteran to affix to the claim
 26 certificates of the United States Department of Veterans Affairs, a branch of the Armed Forces of
 27 the United States or a licensed physician do not apply to a veteran who has filed the required cer-
 28 tificate after attaining the age of 65 years or to a veteran who has filed, on or after September 27,
 29 1987, a certificate certifying a disability rating that, under federal law, is permanent and cannot be
 30 changed.

31 (4)(a) Notwithstanding subsection (1) of this section, a surviving spouse **of a veteran** may file
 32 a claim for the exemption under ORS 307.250 at any time during the tax year if:

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

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

36 (b) *[The claim shall be allowed by]* The county assessor **shall grant the claim** if the surviving
 37 spouse **of a veteran** meets all of the qualifications for an exemption under ORS 307.250 other than
 38 the timely filing of a claim under subsection (1) of this section.

39 (c) If taxes on the exempt value have been paid, the taxes shall be refunded in the manner
 40 prescribed in paragraph (d) of this subsection. If taxes on the exempt value have not been paid, the
 41 taxes and any interest *[thereon shall be]* **are** abated.

42 (d) The tax collector shall notify the governing body of the county of any refund required under
 43 this section and the governing body shall cause a refund of the taxes and any interest paid to be
 44 made from the unsegregated tax collections account described in ORS 311.385. The refund under this
 45 subsection shall be made without interest. The county assessor and tax collector shall make the

1 necessary corrections in the records of their offices.

2 **SECTION 3.** ORS 307.270 is amended to read:

3 307.270. (1) The exemption under ORS 307.250 shall apply to property [*any such*] **that an eligible**
4 **veteran or surviving spouse of a veteran** may own, or have in possession under a recorded contract
5 of purchase, on January 1 of the year in which the exemption is claimed.

6 (2) The exemption shall first apply to the homestead of the veteran or surviving spouse **of a**
7 **veteran** and then to the personal property of the veteran or surviving spouse **of a veteran**.

8 (3) Property of the spouse of [*any such veteran where they*] **a veteran in which the veteran**
9 **and the spouse of the veteran** are living together and **are** occupying [*the same*] as their homestead
10 shall be deemed the homestead of the veteran.

11 (4) When [*any such*] **a veteran or surviving spouse of a veteran** applies for exemption on
12 properties in two or more counties, the total amount of the exemption allowed in all such counties
13 [*shall*] **may** not exceed the maximum amount of exemption under ORS 307.250.

14 [(2)] (5) For each [*qualified*] **eligible** veteran or surviving spouse **of a veteran** only one valid
15 and allowable claim for an exemption on a homestead [*shall*] **may** be permitted in any one assess-
16 ment year.

17 **SECTION 4.** ORS 307.250, 307.260, 307.262, 307.270 and 307.280 are added to and made a
18 **part of ORS 307.250 to 307.280.**

19 **SECTION 5.** The amendments to ORS 307.250, 307.260 and 307.270 by sections 1 to 3 of this
20 **2015 Act apply to property tax years beginning on or after July 1, 2015.**

21 **SECTION 6.** This 2015 Act takes effect on the 91st day after the date on which the 2015
22 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**

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