

# D R A F T

## SUMMARY

Provides for exemption from ad valorem property taxation of first \$10,000 of real market value of homesteads. Requires Department of Revenue to index exemption amount annually.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to a homestead property tax exemption; and prescribing an effective  
3 date.

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

### **SECTION 1. (1) As used in this section:**

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6 (a) **“Consumer Price Index for All Urban Consumers, West  
7 Region” means the Consumer Price Index for All Urban Consumers,  
8 West Region (All Items), as published by the Bureau of Labor Statis-  
9 tics of the United States Department of Labor.**

10 (b) **“Homestead” means:**

11 (A) **The owner-occupied principal dwelling, either real or personal  
12 property, owned by a taxpayer and the tax lot upon which the dwelling  
13 is located.**

14 (B) **If the dwelling is located in a multiunit building, the portion  
15 of the building actually used as the principal dwelling and the  
16 dwelling’s percentage of the value of the building’s common elements  
17 and of the tax lot upon which the building is situated. The percentage  
18 is the value of the dwelling unit that is the homestead compared to  
19 the total value of the multiunit building exclusive of any common  
20 elements.**

1       **(2) The first \$10,000 of real market value of each homestead shall**  
2 **be exempt from ad valorem property taxes.**

3       **(3)(a) The Department of Revenue shall annually adjust the amount**  
4 **of the exemption under subsection (2) of this section by multiplying**  
5 **\$10,000 by one plus the percentage, if any, by which the monthly av-**  
6 **eraged Consumer Price Index for All Urban Consumers, West Region,**  
7 **for the 12 consecutive months ending June 30 of the current calendar**  
8 **year exceeds the monthly averaged Consumer Price Index for All Ur-**  
9 **ban Consumers, West Region, for the 12 consecutive months ending**  
10 **June 30, 2020.**

11       **(b) If any change in the amount of the exemption determined under**  
12 **paragraph (a) of this subsection is not a multiple of \$500, the increase**  
13 **shall be rounded to the nearest multiple of \$500.**

14       **(c) As soon as practicable after making the computation required**  
15 **under this subsection, the department shall notify each county**  
16 **assessor of the adjusted exemption amount.**

17       **SECTION 2. Section 1 of this 2019 Act applies to property tax years**  
18 **beginning on or after July 1, 2020.**

19       **SECTION 3. This 2019 Act takes effect on the 91st day after the date**  
20 **on which the 2019 regular session of the Eightieth Legislative Assem-**  
21 **bly adjourns sine die.**

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