

DRAFT

SUMMARY

Extends sunset for tax credit for closure of manufactured dwelling park. Provides that tax credit may be claimed by tenant based on termination of agreement by landlord or termination of agreement due to exercise of eminent domain.

Applies to tax years beginning on or after January 1, 2017.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to tax credits for closure of manufactured dwelling park; creating
3 new provisions; amending sections 7b, 17 and 18, chapter 906, Oregon
4 Laws 2007; and prescribing an effective date.

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

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6 **SECTION 1.** Section 18, chapter 906, Oregon Laws 2007, as amended by
7 section 33, chapter 913, Oregon Laws 2009, and section 33, chapter 750,
8 Oregon Laws 2013, is amended to read:

9 **Sec. 18.** Section 17, chapter 906, Oregon Laws 2007, applies to individuals
10 whose household ends tenancy at a manufactured dwelling park during a tax
11 year that begins on or after January 1, 2007, and before January 1, [2020]
12 **2026.**

13 **SECTION 2.** Section 7b, chapter 906, Oregon Laws 2007, as amended by
14 section 3, chapter 83, Oregon Laws 2011, and section 35, chapter 750, Oregon
15 Laws 2013, is amended to read:

16 **Sec. 7b.** The amendments to ORS 90.650 by section 7a, chapter 906,
17 Oregon Laws 2007, become operative January 1, [2020] **2026.**

18 **SECTION 3.** Section 17, chapter 906, Oregon Laws 2007, as amended by

1 section 17, chapter 348, Oregon Laws 2015, is amended to read:

2 **Sec. 17.** (1) As used in this section:

3 (a) "Household" means the taxpayer, the spouse of the taxpayer and all
4 other persons residing in the manufactured dwelling during any part of the
5 calendar year for which a credit is claimed.

6 (b) "Manufactured dwelling" has the meaning given that term in ORS
7 446.003.

8 (c) "Manufactured dwelling park" means a place within this state where
9 four or more manufactured dwellings are located, the primary purpose of
10 which is to rent space or keep space for rent to any person for a charge or
11 fee.

12 (d) "Rental agreement" means a contract under which an individual rents
13 space in a manufactured dwelling park for siting a manufactured dwelling.

14 (2) A credit of \$5,000 against the taxes otherwise due under this chapter
15 is allowed to an individual who:

16 (a) Rents space in a manufactured dwelling park for a manufactured
17 dwelling that is owned and occupied by the individual as the individual's
18 principal residence on the date that the landlord delivers notice that the
19 park, or a portion of the park, is being closed and the rental agreement for
20 the space is being terminated **by the landlord or** because of the exercise of
21 eminent domain, by order of a federal, state or local agency [*or by the land-*
22 *lord*]; and

23 (b) Ends tenancy at the manufactured dwelling park site in response to
24 the delivered notice described in paragraph (a) of this subsection.

25 (3) For purposes of subsection (2) of this section:

26 (a) Tenancy by the individual at the manufactured dwelling park site ends
27 on the last day that a member of the individual's household occupies the
28 manufactured dwelling at the manufactured dwelling park site; and

29 (b) Tenancy by the individual at the manufactured dwelling park site does
30 not end if the manufactured dwelling park is converted to a subdivision un-
31 der ORS 92.830 to 92.845 and the individual buys a space or lot in the sub-

1 division or sells the manufactured dwelling to a person who buys a space or
2 lot in the subdivision.

3 (4) Notwithstanding subsection (2) of this section, if the manufactured
4 dwelling park, or a portion of the park, is being closed and the rental
5 agreement of the individual is being terminated because of the exercise of
6 eminent domain, the credit amount allowed to the individual is the amount
7 described in subsection (2) of this section, reduced by any amount that was
8 paid to the individual as compensation for the exercise of eminent domain.

9 (5) An individual may not claim more than one credit under this section
10 for tenancies ended during the tax year.

11 (6) If, for the year in which the individual ends the tenancy at the man-
12 ufactured dwelling park, the amount of the credit allowed by this section,
13 when added to the sum of the amounts allowable as payment of tax under
14 ORS 316.187 and 316.583 plus other tax prepayment amounts and other
15 refundable credit amounts, exceeds the taxes imposed by this chapter or ORS
16 chapter 314 for the tax year, reduced by any nonrefundable credits allowable
17 for purposes of this chapter for the tax year, the amount of the excess shall
18 be refunded to the individual as provided in ORS 316.502.

19 (7) If more than one individual in a household qualifies under this section
20 to claim the tax credit, the qualifying individuals may each claim a share
21 of the available credit that is in proportion to their respective gross incomes
22 for the tax year.

23 **SECTION 4. The amendments to section 17, chapter 906, Oregon**
24 **Laws 2007, by section 3 of this 2019 Act apply to tax years beginning**
25 **on or after January 1, 2017.**

26 **SECTION 5. This 2019 Act takes effect on the 91st day after the date**
27 **on which the 2019 regular session of the Eightieth Legislative Assem-**
28 **bly adjourns sine die.**

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