

House Bill 2865

Sponsored by COMMITTEE ON VETERANS' AFFAIRS

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**.

Increases exemption amount and maximum income threshold for veterans' homestead property tax exemption.

Applies to property tax years beginning on or after July 1, 2006.

A BILL FOR AN ACT

1
2 Relating to property tax exemptions for veterans; creating new provisions; and amending ORS
3 307.250 and 307.270.

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) Upon compliance with ORS 307.260, there shall be exempt from taxation not to ex-
7 ceed [~~\$8,750~~] **\$20,000** of the assessed value of the homestead or personal property of any of the fol-
8 lowing residents of this state other than those described in subsection (2) of this section:

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

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

18 (A) [~~\$8,778~~] **\$20,000** if the veteran was without a spouse or dependent child;

19 (B) [~~\$11,497~~] **\$25,000** if the veteran had either a spouse or a dependent child; or

20 (C) The amount specified in subparagraph (B) of this paragraph plus [~~\$1,496~~] **\$5,000** for each
21 dependent child, if the veteran had a spouse and dependent child or children, or if the veteran had
22 only dependent children, the amount specified in subparagraph (B) of this paragraph plus [~~\$1,496~~]
23 **\$5,000** for each additional dependent child after the first.

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

26 (2) Upon compliance with ORS 307.260, there shall be exempt from taxation not to exceed
27 [~~\$11,670~~] **\$25,000** of the assessed value of the homestead or personal property of any of the following
28 residents of this state:

29 (a) Any war veteran who is officially certified by the United States Department of Veterans
30 Affairs or any branch of the Armed Forces of the United States as having service-connected disa-
31 bilities of 40 percent or more.

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 (b) The surviving spouse remaining unmarried of a war veteran, if the war veteran died as a
2 result of service-connected injury or illness or if the war veteran received at least one year of the
3 maximum exemption from taxation allowed under paragraph (a) of this subsection after 1981 for a
4 veteran certified as having service-connected disabilities of 40 percent or more.

5 (3) For each tax year beginning on or after July 1, [2000] **2007**, the amount of the exemption
6 allowed under subsection (1) or (2) of this section shall equal 103 percent of the amount of the ex-
7 emption for the prior tax year.

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

9 307.270. (1) The exemption under ORS 307.250 shall apply to property any such veteran or sur-
10 viving spouse may own, or have in possession under a recorded contract of purchase, on January 1
11 of the year in which the exemption is claimed. The exemption shall first apply to the homestead of
12 the veteran or surviving spouse and then to the personal property of the veteran or surviving
13 spouse. Property of the spouse of any such veteran where they are living together and occupying
14 the same as their homestead shall be deemed the homestead of the veteran. When any such veteran
15 or surviving spouse applies for exemption on properties in two or more counties, the total amount
16 of the exemption allowed in all such counties shall not exceed [~~\$8,750 or \$11,670~~] **\$20,000 or**
17 **\$25,000**, whichever is applicable.

18 (2) For each qualified veteran or surviving spouse only one valid and allowable claim for an
19 exemption on a homestead shall be permitted in any one assessment year.

20 **SECTION 3.** **The amendments to ORS 307.250 and 307.270 by sections 1 and 2 of this 2005**
21 **Act apply to tax years beginning on or after July 1, 2006.**

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