

# Enrolled Senate Bill 29

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CHAPTER .....

## AN ACT

Relating to value for property tax purposes; creating new provisions; and amending ORS 308.156.

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

**SECTION 1.** ORS 308.156 is amended to read:

308.156. (1) If property is subdivided or partitioned after January 1 of the preceding assessment year and on or before January 1 of the current assessment year, then the property's maximum assessed value shall be established as provided under this section.

(2) If property is rezoned and, after January 1 of the preceding assessment year and on or before January 1 of the current assessment year, the property is used consistently with the rezoning, the property's maximum assessed value shall be established under this section.

(3)(a) For the first tax year for which property is added to the property tax account as omitted property, the property's maximum assessed value shall be established under this section.

(b) For tax years subsequent to the first tax year for which property is added to the property tax account as omitted property, the property's maximum assessed value shall be determined as otherwise provided by law, taking into account the maximum assessed value of the property as determined under this section.

(4)(a) If property was subject to exemption, partial exemption or special assessment as of the January 1 assessment date of the preceding assessment year and is disqualified from exemption, partial exemption or special assessment as of the January 1 of the current assessment year, the property's maximum assessed value shall be established under this section.

(b) If property described in this subsection is eligible for a different type of exemption, partial exemption or special assessment as of January 1 of the current assessment year, the property's maximum assessed value shall be established under the provision granting the partial exemption or special assessment.

(5) The property's maximum assessed value shall be the sum of:

(a) The maximum assessed value determined under ORS 308.146 that is allocable to that portion of the property not affected by an event described in [subsections] **subsection** (1), (2), (3) or (4)(a) of this section; and

(b) The product of the **real market** value of that portion of the property that is affected by an event described in [subsections] **subsection** (1), (2), (3) or (4)(a) of this section multiplied by the ratio, not greater than 1.00, of the average maximum assessed value over the average real market value for the assessment year in the same area and property class.

(6) The property's assessed value for the year shall equal the lesser of:

- (a) The property's maximum assessed value; or
- (b) The property's real market value.
- (7) The Department of Revenue shall provide by rule the method by which the allocations described in subsection (5) of this section are to be made.

**SECTION 2. The amendments to ORS 308.156 by section 1 of this 2005 Act apply to property tax years beginning on or after July 1, 2006.**

**Passed by Senate February 2, 2005**

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Secretary of Senate

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President of Senate

**Passed by House May 26, 2005**

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Speaker of House

**Received by Governor:**

.....M,....., 2005

**Approved:**

.....M,....., 2005

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Governor

**Filed in Office of Secretary of State:**

.....M,....., 2005

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Secretary of State