

House Bill 3612

Sponsored by Representative BUCKLEY (Pre-session 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 **as introduced**.

Allows repayment, one tax year at time, of additional ad valorem property taxes owing due to correction of error or omission of property in prior tax years.

Applies to property tax years beginning on or after July 1, 2010.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to additional property taxes; creating new provisions; amending ORS 311.206 and 311.229;
3 and prescribing an effective date.

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

5 **SECTION 1.** ORS 311.206 is amended to read:

6 311.206. (1)(a) Except as provided in paragraph [(b)] **(d)** of this subsection, when the roll is cor-
7 rected under ORS 311.205, and taxes are added to the roll, the additional taxes shall be added to the
8 tax extended against the property on the general property tax roll for the tax year [*following the*
9 *current tax year*] **determined under paragraphs (b) and (c) of this subsection**, to be collected and
10 distributed in the same manner as other ad valorem property taxes imposed on the property.
11 Notwithstanding ORS 311.205 (2)(b), for purposes of collection and enforcement, the additional taxes
12 added to the roll under this subsection shall be considered delinquent as of the date the other taxes
13 for the year in which the additional taxes are added to the roll become delinquent.

14 **(b) When taxes for a single prior tax year are added to an assessment or tax roll, the**
15 **additional taxes shall be added to the tax extended against the property on the general**
16 **property tax roll for the tax year following the tax year in which the correction is made.**

17 **(c) When taxes for more than one prior tax year are added to an assessment or tax roll,**
18 **the additional taxes for the earliest prior tax year shall be added to the tax extended against**
19 **the property on the general property tax roll for the tax year following the tax year in which**
20 **the correction is made and additional taxes for each subsequent prior tax year shall be added**
21 **in chronological order to the tax extended against the property on the general property tax**
22 **roll for the second, third, fourth and fifth tax years, as necessary, following the tax year in**
23 **which the correction is made.**

24 [(b)] **(d)** When additional taxes are added to the roll as the result of an order described in ORS
25 311.205 (1)(d), the additional taxes shall be collected as provided in ORS 311.513.

26 (2) Notwithstanding subsection (1) of this section or other provision of law establishing the de-
27 linquency date for additional taxes, additional taxes may not be assessed and imposed if the cor-
28 rection is a result of:

29 (a) The disqualification of property from a tax exemption granted erroneously by a tax official;

30 or

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.

(b) The failure by a tax official to timely disqualify property from a tax exemption.

(3) Subsection (2) of this section does not apply to a failure by a tax official to timely disqualify property from a tax exemption if the property owner fails to timely notify the assessor of a change in use of the property to a nonexempt use.

(4) Additional taxes arising from a correction under ORS 311.205 may be paid to the tax collector prior to the completion of the next general property tax roll, pursuant to ORS 311.370.

(5) For purposes of this section, “additional taxes” includes increases in taxes that have already been extended on the roll.

SECTION 2. ORS 311.229 is amended to read:

311.229. (1)(a) **Except as provided in subsection (2) of this section**, when the *[taxes are added to an assessment or tax]* **roll is corrected under ORS 311.223, and taxes are added to the** roll under ORS 311.216 to 311.232, the additional taxes shall be added to the tax extended against the property on the general property tax roll for the tax year *[following the current tax year]* **determined under paragraphs (b) and (c) of this subsection**, to be collected and distributed in the same manner as other ad valorem property taxes imposed on the property. Notwithstanding ORS 311.226, for purposes of collection and enforcement, the additional taxes added to the roll under this subsection shall be considered delinquent as of the date the other taxes for the year in which the additional taxes are added to the roll become delinquent.

(b) When taxes for a single prior tax year are added to an assessment or tax roll, the additional taxes shall be added to the tax extended against the property on the general property tax roll for the tax year following the tax year in which the correction is made.

(c) When taxes for more than one prior tax year are added to an assessment or tax roll, the additional taxes for the earliest prior tax year shall be added to the tax extended against the property on the general property tax roll for the tax year following the tax year in which the correction is made and additional taxes for each subsequent prior tax year shall be added in chronological order to the tax extended against the property on the general property tax roll for the second, third, fourth and fifth tax years, as necessary, following the tax year in which the correction is made.

(2) When it appears to the satisfaction of the assessor that the omission of the property was due to a willful attempt to evade the payment of taxes on the property, *then*:

(a) The assessor shall so advise the tax collector *[and]*;

(b) The additional taxes shall be added to the tax extended against the property on the general property tax roll for the tax year following the tax year in which the correction is made; and

(c) Interest at the rate provided in ORS 311.505 (2) shall:

(A) Be added to the *[amounts so charged, which interest shall be]* taxes added to the assessment or tax roll under ORS 311.216 to 311.232;

(B) Be computed from the date *[or dates]* that payment of the *[charges were]* additional taxes was properly due, *and which interest shall continue to run until payment of the charges.*; and

(C) Continue to run until the additional taxes have been paid in full.

(3) Additional taxes arising from the assessment of omitted property under ORS 311.216 to 311.232 may be paid to the tax collector prior to the completion of the next general property tax roll, pursuant to ORS 311.370.

(4) For purposes of this section, “additional taxes” includes increases in taxes that have already been extended on the roll.

1 **SECTION 3.** The amendments to ORS 311.206 and 311.229 by sections 1 and 2 of this 2010
2 Act apply to property tax years beginning on or after July 1, 2010.

3 **SECTION 4.** This 2010 Act takes effect on the 91st day after the date on which the special
4 session of the Seventy-fifth Legislative Assembly adjourns sine die.

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