

## CHAPTER 50

AN ACT

HB 4054

Relating to special assessment of historic property; creating new provisions; amending ORS 358.499 and 358.505; and prescribing an effective date.

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

**SECTION 1.** ORS 358.499 is amended to read:

358.499. (1) Property first classified and specially assessed as historic property for a tax year beginning on or before July 1, 1994, shall continue to be so classified, specially assessed and removed from special assessment as provided under ORS 358.487 to 358.543 as those sections were in existence and in effect on December 31, 1992.

(2) Property may be classified and specially assessed under ORS 358.487 to 358.543 pursuant to application filed under ORS 358.487 on or after September 9, 1995, and first applicable for the tax year 1996-1997 or any tax year thereafter.

(3) Property may not be classified and specially assessed pursuant to application filed under ORS 358.487 or 358.540 if the application is filed on or after July 1, [2022] **2024, for property tax years beginning on or after July 1, 2025.**

**SECTION 2.** Notwithstanding ORS 358.499

(3), **property that was granted special assessment as historic property under ORS 358.480 to 358.545 for any property tax year beginning before July 1, 2025, shall continue to be specially assessed under the provisions of ORS 358.480 to 358.545, including the period for which the special assessment was granted, in effect as of the date on which the property was granted the first year of the property's current initial or second 10-year period of historic property special assessment.**

**SECTION 3.** ORS 358.505 is amended to read:

358.505. (1)(a) Except as provided in paragraphs (b) and (c) of this subsection, for property certified for special assessment as historic property under ORS 358.490, the county assessor shall for 10 consecutive tax years list on the assessment and tax roll a specially assessed value that equals the [assessed] **real market** value of the property at the time application was made under ORS 358.487.

*[(b) If the property certified for special assessment as historic property was exempt or specially assessed at the time the application was made, the county assessor shall for 10 consecutive tax years list on the assessment and tax roll a specially assessed value that equals the product of the real market value of the property for the tax year in which the application was made multiplied by the ratio of the average maximum assessed value over the average real market value for that tax year of property in the same area and property class.]*

*[(c) (b) If the property certified for special assessment as historic property is a condominium unit being assessed upon initial sale by the developer, the county assessor shall for the tax years of the remaining term of historic property special assessment list on the assessment and tax roll a specially assessed value that equals the [product of the real market value of the property for the tax year in which the initial sale took place multiplied by the ratio of the average maximum assessed value over the average real market value for that tax year of property in the same area and property class] **real market value of the property for the tax year in which the initial sale took place.***

*[(d) (c) For property certified under ORS 358.490 for a second term of special assessment as historic property under ORS 358.540, the county assessor shall, for 10 consecutive tax years after the date of the filing of the application under ORS 358.487 for the second term, list on the assessment and tax roll a specially assessed value that equals the real market value of the property for the assessment year in which the application is made.*

**(2)(a)(A) Notwithstanding ORS 308.149 (2), and except as provided in subparagraph (B) of this paragraph,** for the first tax year of an initial or second 10-year period of historic property special assessment, the maximum assessed value of property subject to historic property special assessment shall equal the specially assessed value of the property **as determined** under subsection (1) of this section multiplied by the ratio, not greater than 1.00, of the maximum assessed value the property would have had **from the prior year** if the property were not specially assessed over the real market value of the property **from the prior year.**

**(B) If the property was specially assessed or exempt in the prior year, for the first tax year of an initial or second 10-year period of historic property special assessment, the maximum assessed value of the property subject to historic property special assessment shall equal the specially assessed value of the property multiplied by the ratio of the maximum assessed value the property would have had if disqualified from the special assessment or exemption in the prior year over the real market value of the property from the prior year.**

(b) For each tax year after the first tax year during which the property is subject to special assessment as historic property, the property's maximum assessed value equals 103 percent of the property's assessed value from the prior year or 100 percent of the property's maximum assessed value from the prior year, whichever is greater.

(3) The assessed value of property that is classified as historic property for the tax year shall equal the least of:

(a) The property's specially assessed value as determined under subsection (1) of this section;

(b) The property's maximum assessed value as determined under subsection (2) of this section; or

(c) The property's real market value as of the assessment date for the tax year.

(4) The entitlement of property to the special assessment provisions of this section shall be determined as of July 1. If the property becomes disqualified on or after July 1, its assessment for that year shall continue as provided in this section.

(5) Assessed value, as defined and determined under ORS 308.146, shall be determined for property classified as historic property by the county assessor each year. The assessed value so determined for any year shall be subject to appeal to the county board of property tax appeals within the time and in the manner provided in ORS chapter 309 and shall be subject to appeal thereafter to the Oregon Tax Court and to the Oregon Supreme Court within the time and in the manner provided for appeals of value de-

termination for purposes of ad valorem property taxation.

**SECTION 4. The amendments to ORS 358.505 by section 3 of this 2022 Act apply to property first granted an initial or second 10-year period of special assessment as historic property for property tax years beginning on or after July 1, 2023.**

**SECTION 5. This 2022 Act takes effect on the 91st day after the date on which the 2022 regular session of the Eighty-first Legislative Assembly adjourns sine die.**

Approved by the Governor March 23, 2022  
Filed in the office of Secretary of State March 30, 2022  
Effective date June 3, 2022  
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