



ISSUE BRIEF – Senate Bill 1513

8/15/16

Background:

The Board of Commissioners has received a request to adopt Senate Bill (SB) 1513, which provides a property tax exemption for families of first responders who lost their lives in the line of duty. The 2016 Legislature passed SB 1513 with an effective date of June 2, 2016 and allows, but does not require, counties to provide an exemption by ordinance or resolution.

The bill allows counties to exempt from ad valorem property taxes up to \$250,000 of assessed value of each homestead owned and occupied by a surviving spouse of a fire service professional, police officer or reserve officer killed in the line of duty. The property tax exemption applies to all taxing jurisdictions. “Homestead” is defined as an owner-occupied principal dwelling, either real or personal property, owned by a surviving spouse and the tax lot upon which the dwelling is located.

The exemption applies solely to the surviving spouse after the death of the fire service professional, police officer or reserve officer. Surviving spouses who have remarried do not qualify for the exemption.

SB 1513 is dedicated to preserving the memory of first responders who have paid the ultimate sacrifice to their community by supporting their families and providing assistance where needed.

SB 1513 is supported by the Oregon Fire Chiefs Association and the Oregon Association of Chiefs of Police.

Analysis:

The following lists the police and reserve officers and fire professionals killed in the line of duty in Marion County since 1995. These individuals are listed on the Oregon Department of Public Safety Standards and Training memorial for fallen officers and fire fighters.

Marion County Lives Lost in the Line of Duty*

Law Enforcement

1. Marion County Sheriff's Office - Deputy Kelly James Fredinburg: June 16, 2007
2. Woodburn Police Department - Captain Thomas Paul Tennant: December 12, 2008
3. Oregon State Police - Senior Trooper William R. Hakim: December 12, 2008
4. Oregon State Police - Senior Trooper Maria Mignano: September 4, 2001
5. Oregon State Police - Sergeant Richard Schuening: October 2, 1997

Fire Fighters

1. Aumsville Fire Department Phillip Sherburn: 1995

**(Current residency status unverified at this time.)*

It is unknown without further research if these surviving spouses still reside in Marion County. Also, there may be other officers and fire fighters who may have lived in Marion County but worked as law enforcement or fire fighters in other counties and fallen in the line of duty.

Information from the Marion County Assessor's Office shows that if all six of the listed surviving spouses requested the property tax exemption on their property, this could result in an annual tax forfeiture of \$25,863 per year to Marion County jurisdictions. This amount is the gross loss and does not break down the property tax losses to individual taxing entities such as cities and school districts in the county. The weighted average tax rate for all county residents for the 2015-16 tax year was \$17.2422 per \$1,000 of assessed value.

Enrolled
Senate Bill 1513

Sponsored by Senators GIROD, COURTNEY, KNOPP, JOHNSON (Presession filed.)

CHAPTER

AN ACT

Relating to a property tax exemption for the homesteads of the surviving spouses of certain public safety officers; and prescribing an effective date.

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

SECTION 1. (1) As used in this section:

(a) "Fire service professional," "police officer" and "reserve officer" have the meanings given those terms in ORS 181A.355.

(b) "Homestead" means the owner-occupied principal dwelling, either real or personal property, owned by a surviving spouse and the tax lot upon which the dwelling is located.

(c) "Surviving spouse" means the spouse of a fire service professional, police officer or reserve officer killed in the line of duty who has not remarried after the death of the fire service professional, police officer or reserve officer.

(2)(a) A county may provide, by ordinance or resolution, that up to \$250,000 of assessed value of each homestead located in the county shall be exempt from ad valorem property taxes imposed by all taxing jurisdictions on the homestead.

(b) An exemption granted under this section applies solely to the period preceding the date of the first remarriage of the surviving spouse after the death of the fire service professional, police officer or reserve officer and ends on the date of remarriage.

(3)(a) A surviving spouse seeking an exemption granted pursuant to this section must file an application with the county assessor on or before April 1 preceding the property tax year for which the exemption is sought.

(b) If the homestead designated in the claim for exemption is acquired after March 1 and before July 1, the claim for that year must be filed within 30 days after the date of acquisition.

(c) Notwithstanding paragraphs (a) and (b) of this subsection, a claim may be filed for the current tax year:

(A) On or before December 31 of the tax year, if the claim is accompanied by a late filing fee in an amount equal to the greater of \$200 or one-tenth of one percent of the real market value as of the most recent assessment date of the homestead to which the claim pertains.

(B) On or before April 1 of the tax year, if the claim is accompanied by a late filing fee of \$200 and the claimant is a first-time filer, as defined in ORS 307.162, or demonstrates good and sufficient cause, as defined in ORS 307.162, for failing to file a timely claim.

(4)(a) An application for an exemption granted pursuant to this section must:

(A) Be made on a form prescribed by the Department of Revenue;

(B) Designate the property for which the exemption is claimed and be accompanied by documentation showing the surviving spouse's ownership of the homestead;

(C) Include a statement setting forth the basis for eligibility for the exemption;

(D) Be accompanied by a document that:

(i) Is issued by the fire service agency or law enforcement unit that employed or utilized the fire service professional, police officer or reserve officer at the time of death; and

(ii) Certifies that the fire service professional, police officer or reserve officer was killed in the line of duty; and

(E) Include a written statement signed by the surviving spouse affirming that all information contained in the application is true.

(b) A timely application shall be approved if all requirements for the exemption are met.

SECTION 2. This 2016 Act takes effect on the 91st day after the date on which the 2016 regular session of the Seventy-eighth Legislative Assembly adjourns sine die.

Passed by Senate February 19, 2016

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Lori L. Brocker, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House February 29, 2016

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Tina Kotek, Speaker of House

Received by Governor:

.....M.,....., 2016

Approved:

.....M.,....., 2016

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M.,....., 2016

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Jeanne P. Atkins, Secretary of State

**Surviving Spouse of a Public Safety Officer
Claim for Real and Personal Property Tax Exemption**

Chapter 056, 2016 Laws

Instructions

- File this form with the county assessor on or before April 1 for the ensuing tax year. Include documents that clarify the applicant meets the requirements for exemption. See page 2 of this form for late filing information.
- This form is available at: www.oregon.gov/dor.
- You must attach proof of marriage/registered domestic partnership to the deceased public safety officer.
- This claim must be accompanied by a document issued by the fire service agency or law enforcement unit that employed or utilized the fire service professional, police officer or reserve officer at the time of death, and certifying they were killed in the line of duty.

For assessor's use only			
Date received	Received by	Late filing fee paid \$	Check no.
Map		Account number	<input type="checkbox"/> Approved <input type="checkbox"/> Denied
Briefly give reason for denial			
County ordinance/resolution number adopting exemption			

Claimant section

I am claiming an exemption for the tax year starting July 1, 20_____.

Name of claimant	County where home is located		County account number
Mailing address	City	State	ZIP code
Location of property for which exemption is sought (street address)	City	State	ZIP code

Chapter 056, 2016 laws allow a county to adopt by ordinance or resolution a property tax exemption for a portion of the assessed value of the homestead of the surviving spouse/partner of a public safety officer killed in the line of duty. To qualify, you must be an Oregon resident, own and live in your own home and it must be your primary residence, you can't have entered into a new marriage or partnership. The deceased public safety officer must have been killed in the line of duty. The property for which you seek exemption must be located in a county that has adopted an ordinance or resolution allowing this exemption.

Check all boxes that apply to you.

You don't have to file every year. If any qualifying conditions change, you must file a new claim to continue your exemption.

- I am the surviving spouse/partner of a qualified public service officer.
- I am the owner of the property for which exemption is sought.
- I haven't entered into a new marriage or partnership.
- The qualifying public safety officer died in the line of duty. (attach documentation as stated in instructions)
- My homestead was acquired after March 1 but prior to July 1, this year.
- I am filing for the first time.
- I have filed before in _____ County.

Late fee

A form filed after April 1 preceding the tax year for which exemption is claimed, must be accompanied by a late fee. See page 2 of this form for additional late filing information.

A late fee is attached: Yes No

Declaration

I declare under the penalties for false swearing ORS 305.990(4) that I have examined this document and attachments, and to the best of my knowledge, they are true, correct, and complete.

Signature of surviving spouse/partner X	Date
Phone	Email address (optional)

* "Partner" means an individual joined in a domestic partnership and registered in Oregon under ORS 106.300-106.340

Instructions for Surviving Spouse of a Public Safety Officer Claim

Chapter 056, 2016 laws allow a county to adopt by ordinance or resolution a property tax exemption for the homestead of the surviving spouse or registered domestic partner of a public safety officer killed in the line of duty. The exemption is for up to \$250,000 of assessed value of the homestead.

How do I qualify for this exemption?

You are eligible for this exemption if you are an Oregon resident who:

- Owns and lives in your home;
- Is the surviving spouse or registered domestic partner of a fire service professional, police officer, or reserve officer killed in the line of duty.

You will become disqualified and lose your exemption if you enter into a new marriage or partnership.

You don't have to file a claim every year. You must file a new claim form by April 1 if there are any changes in ownership or use of your homestead property. For example, if you transfer your homestead property to a trust or life estate, you may have to file a new claim. Other changes in ownership, such as adding or removing another to the deed or changing the proportions of ownership of existing owners may require you to file a new claim.

If your homestead property is held in a trust, the trust must be clearly identified as revocable. To receive an exemption on your homestead property, you must retain sufficient rights to your property and continue to live there.

County requirements

Prior to granting the exemption, the governing body of the county where the property is located must adopt a resolution or ordinance allowing the exemption. If you are unsure if the exemption is allowed in your county, you should call the county commissioners office.

Who is a public safety officer?

To qualify for this exemption the deceased must have been a fire service professional, police officer, or reserve officer as defined in ORS 181A.355

Fire service professional means a paid or volunteer firefighter, an officer or a member of a public or private fire protection agency that is engaged primarily in fire investigation, fire prevention, fire safety, fire control or fire suppression or providing emergency medical services, light and heavy rescue services, search and rescue services or hazardous materials incident response. Fire service professional doesn't mean forest fire protection agency personnel.

Police officer means: An officer, member or employee of a law enforcement unit employed full-time as a peace officer who is:

- Commissioned by a city, port, school district, mass transit district, county, county service district authorized to provide law enforcement services under ORS 451.010, tribal government as defined in ORS 181A.680, the Criminal Justice Division of the Department of Justice, the Oregon State Lottery Commission, a university that has established a police department under ORS 352.121 or 353.125, the Governor or the Department of State Police; and
- Responsible for enforcing the criminal laws of this state or laws or ordinances relating to airport security;
- An investigator of a district attorney's office if the investigator is or has been certified as a peace officer in this or another state;
- A humane special agent commissioned under ORS 181A.340;

- A judicial marshal appointed under ORS 1.177 who is trained pursuant to ORS 181A.540; or
- An authorized tribal police officer as defined in ORS 181A.680.

Reserve officer means an officer or member of a law enforcement unit who is:

- A volunteer or employed less than full-time as a peace officer commissioned by a city, port, school district, mass transit district, county, county service district authorized to provide law enforcement services under ORS 451.010, tribal government as defined in ORS 181A.680, the Criminal Justice Division of the Department of Justice, the Oregon State Lottery Commission, a university that has established a police department under ORS 352.121 or 353.125, the Governor or the Department of State Police;
- Armed with a firearm; and
- Responsible for enforcing the criminal laws and traffic laws of this state or laws or ordinances relating to airport security.

How do I apply for the exemption?

- Complete a *Surviving Spouse of a Public Safety Officer Exemption Claim*, 150-310-675.
- Attach a written statement issued by the fire service agency or law enforcement unit that employed or utilized the fire service professional, police officer, or reserve officer at the time of death certifying that the deceased was killed in the line of duty.
- Attach the deceased public safety officer's death certificate.
- Attach a copy of your marriage certificate or certificate of registered domestic partnership. You must have been legally married to or have been in a partnership with the qualified public safety officer at the time of his or her death and you haven't entered into a new marriage or partnership.
- If property is held in trust, include relevant revocable trust documentation.

This property tax exemption isn't automatic and doesn't transfer from one property to another. If you buy and move to a different home, you need to file a new claim form for your new home. If you don't live in your home or if it isn't your primary residence, it doesn't qualify for this exemption. However, temporary absences due to vacation, travel, or illness don't disqualify you from the exemption. If any of these conditions occur, contact your county assessor's office.

What is the due date for filing the exemption claim form?

- On or before April 1 preceding the tax year for which you're claiming exemption.
- If you acquire property after March 1 and before July 1, file your claim within 30 days after the date of acquisition.

Late filing

- If you are filing before April 1 of the tax year claimed, for the current tax year only, and you are a first-time filer, or have good and sufficient cause for filing late, the late filing fee is \$200.00.
- For all others, if you are filing before December 31 for the current tax year, the late filing fee is \$200.00 or one-tenth of one percent of the real market value of the property, whichever is greater.