

# Special Assessments

CONSERVATION

OPEN SPACE



Presented 2014

By

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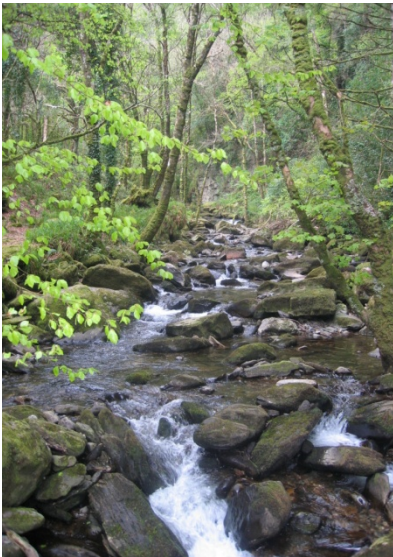


VETERANS  
EXEMPTION



SENIOR  
DEFERRAL

RIPARIAN



WILD LIFE HABITAT



FARM



FOREST

# **SPECIAL ASSESSMENT PROGRAMS AVAILABLE**

- **Veterans Exemption**
- **Senior Deferral**
- **Exclusive Farm Use Zone (EFU)**
- **Non-Exclusive Farm Use (non-EFU)**
- **Designated Forestland (DFL)-Minimum 2 Acres**
- **Small Tract Forestland Option (STF)-Minimum of 10 acres**
- **Wildlife Habitat (WLH)**
- **Riparian Exemption**
- **Conservation Easement (CE)**
- **Open Space**

# VETERANS EXEMPTION

ORS 307.250-307.283

## QUALIFICATION-\$19,001 EXEMPTION

- Disabled veteran or the surviving spouse or registered domestic partner of a veteran
- Veteran who is certified by your Doctor as having 40%+ disability-not necessarily service connected
- Income limit-total gross income cannot be more than 185% of annual federal poverty guidelines  
(Approx. \$21,589 for one or \$29,100 for 2-this changes yearly)
- Be a veteran's surviving spouse/partner not remarried
- Must own and live on your homestead property

**ESTIMATED TAX SAVINGS:**  
**\$300-\$460** (depends on tax rate)

## QUALIFICATION-\$22,802 EXEMPTION

- Veteran certified by VA as having service-connected disabilities of 40% +
- Be a veteran's surviving spouse/partner not remarried and veteran died due to service related disability
- Must own and live on your homestead property.
- No Income limit

**ESTIMATED TAX SAVINGS:**  
**\$350-\$550** (depends on tax rate)

# TAX DEFERRAL FOR QUALIFIED DISABLED AND SENIOR CITIZENS

## QUALIFICATION

- By April 15<sup>th</sup> of the year you apply, you must meet all of the following:
  1. Be either:
    - 62 years old, or
    - A disabled citizen, eligible to receive Social Security Disability benefits.
  2. Own or be buying the property (own or have property mortgaged or under contract)-no life estate
  3. Have owned and lived on the property for at least 5 years
  4. Have homeowners insurance that covers fire and other casualties
  5. Your household income must be less than the limit (2014 is \$42,000). Household income includes taxable and non-taxable income for the prior calendar year.
  6. Your net worth is \$500,000 or less (not including value of home)
  7. Either:
    - You don't have a reverse mortgage, or
    - You have a reverse mortgage and were on the Property Tax Deferral program prior to 2011.

## HOW DOES THE PROGRAM WORK

- If qualified, the Department of Revenue (DOR) will timely pay your county property taxes
- A lien will be placed on your property and DOR will become a security interest holder.
- Upon disqualification or cancellation the following must be repaid before the lien is released:
  - Your property taxes that have been paid by DOR
  - The accrued interest at six percent compounded annually
  - The cost of recording and releasing the lien
  - A \$55.00 filing fee on manufactured structures

# EXCLUSIVE FARM USE (EFU)

ORS 308A.050-308A.259



## Qualification

- Property must be zoned EFU
- Land must be currently employed in a qualifying farm use with the primary purpose of obtaining a profit in money
- Written request by taxpayer by September 25<sup>th</sup> for the current tax year

## Valuation

- Farm Tables



## Disqualification

- Land is no longer in farm use
- Collection of Back Taxes
- Change of use inconsistent to the return to farm.
- Collect 10 years outside UGB and 5 years inside UGB

## Potential Additional Tax

- Idle farmland. Calculate additional tax and post as a potential collection.
- Previously Special Assessed acres now assessed at market

# UNZONED FARMLAND (NOT ZONED EFU)

ORS 308A.050-308A.259



## Qualification

- Your land must be currently used, and have been used, for the two previous years exclusively for farm use, and
- Your land must meet the income requirements in three of the five previous years
- Application required by April 1<sup>st</sup> for current tax year

## Income Requirements

- 6.5 acres and less \$650.00 per year gross income; and \$100.00 per acre for acreage over 6.5 and under 30.
- Over 30 acres farmland=\$3,000 gross income requirement.



## Valuation

- Farm Tables

## Disqualification

- Land is no longer in farm use
- Fails income requirement

## Collection of Back Taxes

- Change of use inconsistent to the return to farm.
- Collect 5 years of deferred taxes

## Potential Additional Tax

- Idle farmland. Calculate additional tax and post as a potential collection.
- Previously Special Assessed acres now assessed at market

# ADDITIONAL FARM OPTIONS



## LEASE TO A NON-PROFIT QUALIFICATION

- Applicant must be an incorporated institution;
- The corporation must be organized as a nonprofit corporation
- Qualification determined by charter and manner in which activities are conducted
- Non-profit must file application with County Assessor by April 1<sup>st</sup>. If filing under ORS 307.112-must enter into lease before July 1<sup>st</sup>. Lease must be for at least a full year (no mo to mo).
- The property must be used primarily for charitable purposes.
- Any change in the lease will require a new application to be filed

## VALUATION

- Leased portion exempt

## TENANT FARMER

### QUALIFICATION

- Lease your land to a tenant farmer
- TEST 1: The tenant farmer must meet gross income requirement for their total farm unit AND
- TEST 2: Must **EITHER**
  - A. Meet  $\frac{1}{2}$  of your gross income requirement off just your parcel
  - OR**
  - B. Pay owner of land a cash rent equal to  $\frac{1}{4}$  of their gross income requirement ( $\$650 \times .25 = \$162.50$ )

### VALUATION

- Farm Tables

# 2014 FARM VALUES PER ACRE

Description	Class	UZ Label	EFU Label	SAV	MSAV	Taxable AV
Dry	I	GA	EA	2,754.24	2,379.10	2,379.10
Dry	II	GB	EB	1,977.40	2,176.42	1,977.40
Dry	III	GC	EC	1,624.29	1,631.71	1,624.29
Dry	IV	GD	ED	706.21	466.28	466.28
Dry	V	GE	EE	423.73	212.93	212.93
Irrigated	I	G1	E1	2,966.10	2,518.45	2,518.45
Irrigated	II	G2	E2	1,920.90	2,315.77	1,920.90
Irrigated	III	G3	E3	1,822.03	1,834.39	1,822.03



# FORESTLAND

ORS 321.005-321.990



## DESIGNATED FORESTLAND (DFL) QUALIFICATION

- Primary purpose must be to grow and **harvest** trees of a marketable species. (Property must meet the definition of Forestland under ORS 321.257)
- Contain a minimum of two forested acres (besides the one acre homesite) which meet the Oregon Forest Practices Act stocking and species standards
- File an application by April 1st

### VALUATION

- Forestland tables provided by DOR

### DISQUALIFICATION

- Discovery by the Assessor or State Forester that the property no longer meets definition and standards

### ADDITIONAL TAX

- Deferred taxes are collected on the next tax roll for a maximum of five years

## SMALL TRACT FORESTLAND (STF) QUALIFICATION

- Property must qualify for designated forestland (fill out both applications)
- Contain a minimum of ten forested acres (besides the one acre homesite)
- File the applications by April 1<sup>st</sup>
- All owners must sign application

### VALUATION

- Forestland tables provided by DOR

### DISQUALIFICATION

- Discovery by the Assessor or State Forester that the property no longer meets definition and standards
- Failure to notify county of sale of property

### ADDITIONAL TAX

- Deferred taxes are collected on the next tax roll for a maximum of ten years, and represents the difference in DFL values and STF Values
- Subject to severance tax upon harvest

# WESTERN OREGON FORESTLAND VALUES

## FOR

### JULY 1, 2014 – JUNE 30, 2015

Forestland Class	DESIGNATED FORESTLAND PROGRAM-DFL		SMALL TRACT FORESTLAND PROGRAM-STF	
	MSAV	SAV	20% MSAV	20% SAV
FA	\$622.86	\$1,012.00	\$123.58	\$202.40
FB	\$494.13	\$801.00	\$98.06	\$160.20
FC	\$413.83	\$673.00	\$81.92	\$134.60
FD	\$351.54	\$573.00	\$69.83	\$114.60
FE	\$233.88	\$380.00	\$45.65	\$76.00
FF	\$168.81	\$275.00	\$33.54	\$55.00
FG	\$70.55	\$117.00	\$13.36	\$23.40
FX	\$8.26	\$11.70	\$1.30	\$2.34

MSAV – Maximum Specially Assessed Value (Measure 50)

SAV – Specially Assessed Value (ORS 321.207)

20% MSAV – 20% Maximum Specially Assessed Value for qualified Small Tract Forestland Program properties (Measure 50)

20% SAV – 20% Specially Assessed Value for qualified Small Tract Forestland Program properties (ORS 321.722)



# WILDLIFE HABITAT SPECIAL ASSESSMENT

ORS 308A.400-430

## QUALIFICATION

- Program sponsored and monitored by Oregon Dept. of Fish and Wildlife.
- Property must be in an area where the local jurisdiction has opted into the program. Multnomah County has opted in. The City of Portland has not.
- Completed application due April 1<sup>st</sup> for Assessment year beginning January 1<sup>st</sup>. Application contains two parts:
  - a. Multnomah County Planning signs form verifying zone designation. (check with County for current fee amount).
  - b. Submit an approved plan from ODF&W and attach it to the application. Allow plenty of time for ODF&W to complete your plan. Currently, there is no application fee due Multnomah County.

## VALUATION

- Either Forestland or farmland values

## DISQUALIFICATION

- Notification from ODF&W that the property is not meeting plans specifications; and other conditions noted in ORS 308A.430

## ADDITIONAL TAX

- See EFU, UZF, and DFL disqualification/collection statutes outlined in ORS308A.700-733. Depends if property is forest or farm by nature.

# RIPARIAN EXEMPTION

ORS 308A.350-383



## QUALIFICATION

- This application is often in addition to the Wildlife Habitat Special Assessment. Instead of being a special assessment on the land, the area approved around the streambed will be exempt. The ODF&W will determine the acres qualified and include it within the Habitat plan.
- Submit an approved plan from ODF&W and attach it to the application. If filing for both Wildlife Habitat and Riparian, you must complete both applications.
- Completed application due December 31<sup>st</sup> for assessments beginning the following tax year.

## VALUATION

- Real Market Value for designated riparian area is exempt

## DISQUALIFICATION

- Notification from ODF&W that the property is not meeting plans specifications; and other conditions noted in ORS 308A.430
- Owner must notify county of a change of use within 60 days

## ADDITIONAL TAX

- Amount determined to be due under ORS 308A.368 and paid to the tax collector prior to completion of the next general property tax roll, pursuant to ORS 311.370. Five year collection for change of use.

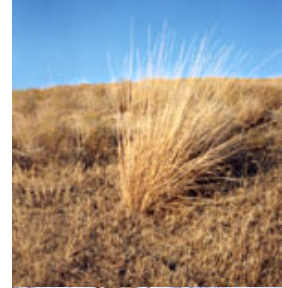
# Conservation Easement

ORS 308A.450-465



## QUALIFICATION

- Must have recorded conservation easement that demonstrates the land meets requirements under IRS section code 170(h). The conservation easement must be in perpetuity.
- Must have a holder of the easement in real property (an example would be a land trust)
- The holder imposes limitations or obligations directly related to protecting the property for a variety of reasons (see ORS 271.715 for full explanation).
- A written certification must be filed with the county assessor stating that the conservation easement satisfies the above requirements(part of application)
- Completed application must be filed by April 1<sup>st</sup>
- \$250.00 application fee is required

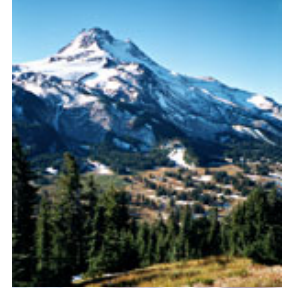


## VALUATION

- Either forestland or farmland values

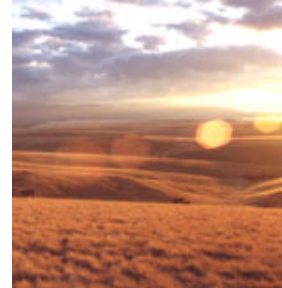
## DISQUALIFICATION

- Failure of holder to provide written recertification of property compliance every three years, or more often if requested by Assessor
- Notice that property no longer qualifies (see ORS 308A.465 for additional reasons)



## ADDITIONAL TAX

- See EFU, UZF, and DFL disqualification/collection statutes outlined in ORS308A.700-733. Depends if property is forest or farm by nature.





# OPEN SPACE

ORS 308A.300 to 330

## QUALIFICATION

- Meet definition of open space (ORS 308A.300)
- Completed application due December 31st for Assessment year beginning the next January 1<sup>st</sup>
- Application will be sent to the appropriate jurisdiction (city or county planning) for approval

## VALUATION

- Either Forestland or farmland values

## DISQUALIFICATION

- Owner request to withdraw; assessor discovers a change of use.

## ADDITIONAL TAX

- See ORS 308A.312-321. Additional taxes computed under ORS 308A.312. During each year in which the land was classified, together with interest at the rate of two-thirds of one percent a month, or fraction of a month from the dates on which the additional taxes would have been payable had the land not be so classified.

# ADDITIONAL INFORMATION

- ORS (Oregon Revised Statutes):  
[https://www.oregonlegislature.gov/bills\\_laws/Pages/ORS.aspx](https://www.oregonlegislature.gov/bills_laws/Pages/ORS.aspx)
- APPLICATIONS  
Dept. of Revenue Forms  
<http://www.oregon.gov/dor/Pages/forms.aspx>  
County Forms (Unzoned Farmland Application, open space application) and to request additional information:  
[dart.special.programs@multco.us](mailto:dart.special.programs@multco.us)