

**HB 3249-Senior Property Tax Reduction: Oppose**

Chair Nathanson, Vice Chairs Reschke and Walters and members of the committee.

The Oregon Women's Rights Coalition opposes this measure and proposes a solution that would be of value to seniors in Oregon.

Not all seniors are cost burdened.

In the state of Oregon, among the over 65 years age group, a noteworthy 37.68% of households either match or surpass the state of US median income of \$78,249. These 180,056 households, constituting notable portion of the Oregon state senior population, showcase commendable financial stability compared to the US median income benchmark.<sup>1</sup>

Granting a 50 percent exemption for all seniors' property tax would not only be very generous but devastate local government's ability to pay for services.

For example, in Medford a house with an assessed value of 257,900 would pay \$1510 rather than \$2762 for County, City and school district. In Coos Bay, a house with an assessed value of \$175,260 would pay \$901 for those same three taxing districts rather than \$1803. In Coos Bay there are other districts whose assessments are higher than the county.

Instead, seniors owning their own home facing financial stress should consider the senior property tax deferral. The home, their car (personal property) and \$500,000 in assets and with yearly income up to 60,000 qualify them for the program.<sup>2</sup> And the real market value of their home is on a sliding scale by county and number of years in their property.<sup>3</sup>

The beauty of this program is the fact that the state pays the senior's taxes in exchange for recouping the taxes plus 6% simple interest when the house is sold, they transfer ownership or die. The taxing districts are held whole.

The program seems to be undersubscribed as there are assets of \$70 million and last year's payments were only \$10.6 million. While some counties advertise the program with the property tax billing those bills come in November. The senior needs to apply for the program between Jan 1 and April 15 and is qualified by July 1 prior to the tax billing in November to avoid an additional fee.

We suggest that the legislature work with DOR to come up with some Public Service Ads targeted at seniors. They could be in utility billings in January, February and March to alert the seniors of the program. In addition, Oregon Housing and Community Services collaborates with community action agencies and other providers in every county to administer the LIHEAP (Low Income Home Energy Assistance Program). We hope that these agencies are aware of the deferral program.

Another group that could be approached to have information available would be the SHIBA advisors. That is the Senior Health Insurance Benefits Assistance program. They have presentations in various locations in person and having brochures available at their presentations would help spread the word.

We call you attention to Tax Fairness Oregon's testimony submitted by Jody Wiser and her final document. It illustrates a fairly simple explanation of the program. That is the type of information which could be provided.

We are in opposition to this bill but think inventive minds can address the underutilization of the program by a more aggressive advertising campaign. That would serve both seniors and the taxing districts that are in desperate need of funding.

We also feel that given the current Federal environment, any and all help we can provide to seniors and people with disabilities who would qualify for this program will help them survive.

Marcia Kelley

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1. <https://www.neilsberg.com/insights/oregon-median-household-income-by-age/>
2. [https://www.oregon.gov/dor/forms/FormsPubs/deferral-disabled-senior\\_490-015-1.pdf](https://www.oregon.gov/dor/forms/FormsPubs/deferral-disabled-senior_490-015-1.pdf)
3. [www.oregon.gov/dor/deferral](http://www.oregon.gov/dor/deferral)

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