

Senate Finance & Revenue Committee
900 Court Street NE, Room 160
Salem, Oregon 97301

February 9, 2022

RE: SB 1559.

Chairman Beyer, Vice-Chair Boquist and Members of the Committee:

Last year at the suggestion of Senator Betsy Johnson, I contacted Senator Chris Gorsek and Representative Zack Hudson in hopes of gaining their support in removing the requirement that floating home owners file what is known as a "Personal Property Filing Form for Floating Property (ORS 308.290)".

The form is a simple 1 page declaration which identifies: A) Where the home was located on January 1 of that year; B) if the home is being purchased on contract; C) if the home had been sold since the last filing; D) if any repairs or major remodeling had been made.

The forms are generally sent out in mid-January and must be returned by March 15. As stated on the form the late filing penalty is 5% of tax owed if the return is filed after March 15, but on or before June 1. The penalty increases to 25% of tax owed if the return is filed after June 1, but before August 1. After August 1, the penalty is 50% of the tax owed. (ORS 308.296). Keep in mind the penalty is not for late payment of taxes, but only for the late filing of the form itself.

The form was originally useful in keeping track of manufactured homes (mobile homes) which could easily be moved from county to county. Manufactured homes were subsequently exempted from the requirement but floating homes were forgotten. Ironically floating homes are more difficult to move as they are often custom designed to fit their slip configuration and exposure. Further, there are few if any slips available to accommodate a move. Given ever increasing regulations, it is unlikely that many new slips will be developed in the future.

A major problem arises given the fact that the forms can't be forwarded. Many of the owners are retired "Snow Birds" and often times are having their mail forwarded from their primary address during the winter months when the forms are sent out. As such they do not receive the forms and their first notice of the penalty is in the form of a 50% increase on their November tax bill.

As a floating home owner/resident, I have not personally been subject to the penalty but have tried to make my neighbors aware of the requirement. Even so, absent receiving the form some of them have forgotten to seek out the form and have been penalized the full 50%.

In fall of 2021, I conducted an informal survey of five moorages on the Columbia River near the Portland/Gresham city limits. Of the approximate 250 floating homes involved, I received 44 responses involving 47 properties. Of these responses, 5 had no problems, 8 received no penalties but had issues,

18 owners with 21 properties received penalties, and 13 reported that they never received or filed a form.

Of those receiving a penalty, 10 did not disclose an amount. The remaining 11 reported combined penalties of \$25,079 or an average of \$2,280. The most alarming statistic was the 13 owners reporting they had never received or filed a form. This statistic suggests that either they unknowingly have been paying the full penalty or that the system is not treating everyone equally.

The reporting requirement is an antiquated relic which needs to be removed from the statutes. As noted by the Multnomah County Assessor, the information generated by the form is of little use. Regardless the requirement places a significant and needless burden on floating home owners.

I respectfully ask that you consider exempting floating homes from the requirement of ORS 308.290 as was previously done for manufactured homes. Thank you.

Sincerely,

George Donnerberg
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