

Oregon Revised Statutes

307.471 Student housing exempt from school district taxes; application procedure; disqualification. (1)(a) Upon compliance with subsection (2) of this section, student housing shall be exempt from all ad valorem property taxes levied by a school district, a county education bond district, an education service district, a community college service district or a community college district.

(b) As used in this subsection, "student housing" means housing that is:

(A) Rented exclusively to students of any educational institution, public or private, that offers at least a two-year program acceptable for full credit towards a baccalaureate degree;

(B) Rented upon a nondiscriminatory basis, without regard to race, creed, color or national origin;

(C) Owned by a nonprofit corporation having articles of incorporation that provide that on dissolution or liquidation, the right, title and interest of the corporation in and to all accommodations and facilities with respect to which exemption is sought will be conveyed to the educational institution or institutions whose students are served by the housing, and all its other remaining assets will be conveyed to one or more organizations exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code;

(D) Owned by a nonprofit corporation that has made legally enforceable arrangements to convey its interest in any property with respect to which exemption is claimed to the educational institution or institutions whose students are served by the housing upon final payment of the mortgage indebtedness incurred in connection with the construction or acquisition of the housing; and

(E) Regulated by federal or state law in regard to rents, charges, development costs and methods of operation. The renting of the property for safekeeping purposes during the summer months shall not disqualify the property from the exemption granted by this section.

(2)(a) Except as provided in paragraph (b) of this subsection, the nonprofit corporation shall apply to the assessor for the exemption on or before April 1 of the assessment year for which the exemption is claimed on forms prescribed by the Department of Revenue. The exemption claim shall include a certification by the university, college or community college attended by a majority of the student occupants that the property is being used for student housing during the current school year. Once an exemption has been granted, the exemption shall continue in effect, without reapplication, until the property fails to meet the qualifications of subsection (1) of this section as exempt student housing.

(b) If the property designated in the claim for exemption under paragraph (a) of this subsection is acquired after March 1 and before July 1, or if there is a change in use of

the property qualifying the property for exemption under this section after March 1 and before July 1, the initial claim for exemption shall be filed within 30 days from the date of acquisition or change of use of the property.

(3) When, for any reason, the property or any portion thereof ceases to meet the qualifications of subsection (1) of this section, the owner at the time of the change shall notify the assessor of such change prior to the next January 1, or within 60 days after the date of disqualification, whichever is the earlier.

(4) When property that has received special exemption as student housing under subsection (1) of this section thereafter becomes disqualified for such exemption, and the notice required by subsection (3) of this section is not given, the assessor shall determine the date that the notice should have been given, shall notify the owner thereof and notwithstanding ORS 311.235, there shall be added to the tax extended against the property on the next general property tax roll, to be collected and distributed in the same manner as the remainder of the real property tax, an amount equal to the sum of the following:

(a) The total amount by which taxes assessed against the property would have been increased if it had been subject to tax without regard to subsection (1) of this section during the tax year for which the notice should have been given and each tax year thereafter together with the interest which would have accrued had the taxes been properly assessed and the exemption not been granted in the applicable years; and

(b) A penalty equal to 20 percent of the amount specified in paragraph (a) of this subsection, however, no penalty shall be imposed on any amount attributable to interest.

(5) A fraternity, sorority or cooperative housing organization, or an associated alumni nonprofit corporation organized exclusively for the purpose of owning property housing the fraternity, sorority or cooperative housing organization and providing related financial and operational support, may qualify for the exemption provided by subsection (1) of this section if the requirements of subsection (1)(b) (A) and (B) of this section are met, provided that any of its housing accommodations not occupied by members of the organization shall be open to occupancy by students who are not members of or affiliated with the organization, on a nondiscriminatory basis, without regard to race, creed, color or national origin, under rules or conditions set by the school.

(6) Additional taxes collected under this section shall be deemed to have been imposed in the year to which the additional taxes relate. [Formerly 307.460]