OREGON DEPARTMENT OF REVENUE

Nonprofit Housing and Care to Elderly

Application for funded property tax exemption

Oregon Revised Statutes (ORS) 307.241 to 307.248

Clear Form

- File 2 copies with your county assessor on or before April 1.
- See information on back for explanations.

Date received

1. Corporation name

Doing business as (DBA) / assumed business name (ABN)

Address

City | State | ZIP code

County assessor's certification

This application is:
☐ Approved
☐ Denied

Signature | Title | Date

Reason if denied | J.V. number

2. **Property description**

Assessor's account number (as shown on property tax statement) | Area code number

Deed volume and page or instrument number | Date recorded

Lot(s) | Block(s) | Addition

Subsection | Section | Township | Range | Acres

3. Are there any unpaid taxes or other charges owing on the above-described property? ☐ Yes ☐ No

4. An exemption is requested on the property described in section 2 which is used as nonprofit housing, recreational and social facilities, and care to the elderly. Attach one copy of the following documents to support the request:
   a. Statement showing current rents certified by U.S. Department of Housing and Urban Development (HUD) or Oregon Housing Agency (OHA).
   b. Statement of total income of nonprofit home: 1. Listing rent for each unit, 2. leased or rented commercial area, and 3. income from any other source.

5. Is this your first time applying for an exemption under this statute? ☐ Yes ☐ No

   If no, when did you last apply? _____ Was the exemption approved? ☐ Yes ☐ No

   If exemption was denied, list reason(s) for denial: _____

   If exemption was approved, the rent (as certified by HUD or OHA):

   ☐ **Does*** ☐ **Does not**** contain an amount for property taxes.

   *Attach a three-column listing showing: 1. Individual living unit rents, as certified by the government agency, 2. the amount each rent was reduced in the previous year to reflect the tax exemption, and 3. a list of current rents, by each living unit.

   Attach a letter, signed by a representative of HUD or OHA, stating that the rents **do not contain property taxes.

6. Federal or state financial assistance (such as a loan, mortgage insurance, aid to construction, rent supplement) is received or has been received under the following federal and state laws:
   - ☐ Section 202 of Title II (12 USC 1701q)
   - ☐ Section 236 [12 USC 1715z(1)]
   - ☐ Section 231 of Title II (12 USC 1715v)
   - ☐ Section 101 of Title I (12 USC 1701s) or Section 8 of Title II (42 USC 1437f)
   - ☐ ORS 456.515 to 456.547

7. When was the land acquired? _____ When did the process of construction of improvements on land begin? _____ When did the improvements become occupied and used (wholly or partially) to furnish permanent residential, recreational and social facilities; and primarily for elderly persons? _____

8. Is this corporation organized and operated under the requirements of ORS 307.375? ☐ Yes ☐ No
   [See reverse side under B (1–4 for explanation)].

9. Is payment in excess of one month's rent required as a condition to occupy the facility? ☐ Yes ☐ No
   If so, what type of payment(s) and what amount for each? _____

I declare under the penalties for false swearing under ORS 305.990 that I have examined this document and attached statements and to the best of my knowledge it is true, correct, and complete.

Signature | Title | Phone | Date

X

Funded exemption of certain nonprofit homes for the elderly

Refer to ORS 307.241 to 307.248 for statement of the law

A. The purpose of this program is to assist private, nonprofit corporations to provide permanent housing, recreational and social facilities, and care to elderly persons.

B. To qualify for the exemption, the corporation must be organized and operated only for the purpose of furnishing permanent residential, recreational, and social facilities primarily for elderly persons that:

1. Are organized for nonprofit; pursuant to ORS Chapter 65, or any statute repealed by Chapter 580, Oregon Laws 1959.
2. Pay no net earnings to private stockholders or individuals.
3. Receive at least 95 percent of their operating gross income (excluding investment income) from payments for living, medical, and recreational expenses; and social services and facilities, paid for on behalf of elderly persons who use the corporation's facilities.
4. After all debts are paid, strictly distribute the corporation's assets upon dissolution, to the State of Oregon, or to other exempt corporations doing religious, charitable, scientific, literary, or educational work.
5. Receive federal or state financial aid under these federal or state laws:
   (a) Section 202 of Title II of the National Housing Act (12 USC 1701q).
   (b) Section 236 of the National Housing Act [12 USC 1715z (1)].
   (c) Section 231 of Title II of the National Housing Act (12 USC 1715v).
   (d) Section 101 of Title I of the National Housing Act (12 USC 1701s) or section 8 of Title II of the National Housing Act (42 USC 1437f), providing rent supplement or housing assistance payments.
   (e) ORS 456.515 to 456.547, Elderly and Disabled Housing Bonds.
6. Begin the process of construction of improvements on land; or acquire property after January 1, 1977, and:
   (a) If the corporation receives **federal** financial assistance (see 5a–d above), the land and any improvements must be in actual use or in the process of construction for corporate purposes on January 1 of the assessment year that you request the exemption.
   (b) If the corporation receives **state** financial assistance (see 5e above), the land and improvements must be actually occupied and used (wholly or partially), to furnish permanent residential, recreational, and social facilities primarily for elderly persons; **on January 1, 1990.**

C. To receive the exemption the home must file an application each year with the county assessor on or before April 1 (file two copies with the assessor), except as provided under ORS 307.242(3)(a) or 307.475.

An assessor may ask the Oregon Department of Revenue to certify if the nonprofit corporation is a qualifying corporation. The assessor will then process the claim and return a duplicate copy to the claimant noting whether the claim has been approved or denied.

D. Exemptions will be denied if there are any unpaid taxes owing on the nonprofit homes in any tax year. [ORS 307.243(3)]

E. Exemptions are not allowed if the assessor or the Oregon Department of Revenue is not satisfied that the corporation has reduced rent to reflect exemption granted in a prior year.

The exemption will be denied if the corporation requires any refundable deposit or other payment as a condition of occupancy, in addition to rent, that **exceeds** the amount charged for one month's rent.

If a nonprofit home receives exemption, its residents are not entitled to receive the veterans exemption or the homeowner's and renter's property tax refunds under ORS 307.370 to 307.385 and 310.630 to 310.706.

F. The cost of the exemption is paid by the State General Fund. On or before October 15, the assessor computes the tax on these properties as if they were not exempt and certifies that amount to the county treasurer and to the Department of Revenue. The department then pays the county treasurer, less 3 percent, by November 15. **If the State General Fund appropriation is not enough to cover all of the property tax it may be proportionally reduced.**

The nonprofit corporation retains its full property tax exemption and the county governments and other local taxing districts must absorb the portion of the taxes not paid by the state.

G. Need assistance? Contact your county assessor or call the Oregon Department of Revenue, Finance, Taxation, and Exemptions Team at 503-945-8293.