

House Bill 3506 (2025)

Property Tax Deferral Outreach

Background

[House Bill 3506](#), approved in 2025, enacted several provisions related to the Senior and Disabled Homeowner Property Tax Deferral Program, including an appropriation of \$150,000 to the Department of Revenue (DOR) in the 2025–2027 biennium to contract with a public benefit corporation or consultant to increase knowledge of the deferral program amongst eligible individuals.

History

The [Senior and Disabled Homeowner Property Tax Deferral Program](#), first established in 1963, helps vulnerable Oregonians to stay in their homes by allowing the state to pay property taxes on the homeowner's behalf. The homeowner's property tax obligation is deferred, accruing 6 percent interest, and is repaid by the homeowner or estate, when certain conditions are met. Homeowners apply through their county assessor's office, who then share applications with the department for further processing and approval. The program is self-supporting, funded through repayment of principal and interest obligations of program participants.

The program has experienced robust participation historically, peaking in the late 1980's with over 13,000 participants. In 2011, the Legislature made several changes to program requirements to address fiscal and other considerations. These changes included introducing a length of ownership requirement and other eligibility requirements. Program participation began decreasing beginning with the 2011 tax year. The total number of homesteads with participating homeowners for the 2024 tax year was about 3,500.

Outreach Activities

Over the past several years DOR has established an active outreach approach for the program to help ensure information is reaching eligible individuals. These outreach efforts include representation at community events such as state and county fairs, informational flyers made available at county assessment offices and other locations, and targeted media published on various platforms (Attachment A). Over the past year we have also engaged with interested external partners to discuss how we might work together to increase awareness of the program. In 2026, we have experienced an increase in applications, from an average of 387 applications received at the mid-year mark in 2024 and 2025, to 531 total applications received through the end of June 2026. HB 3506 introduced the opportunity for DOR to expand this outreach through an external partnership with communication professionals.

Project Status

DOR was poised to begin the procurement process in 2025 to find a public benefit corporation or consultant to develop outreach materials when the department was instructed to identify potential budget reductions totaling 5 percent. Procurement efforts related to HB 3506 were paused at that time to allow the Legislature the opportunity to reexamine the \$150,000 appropriation as part of addressing the state's budget situation.

While other budget adjustments were made in the 2026 legislative session, the HB 3506 appropriation remained in place, and DOR was able to move forward with the procurement process in early 2026. A request for proposal was issued in April 2026, and four responses were received. After review and scoring, a contract was awarded to Project 986 Consulting in July (Attachment B). As of early August

2026, the department is actively engaging with Project 986 Consulting to schedule a project kickoff meeting and begin mapping deliverables, project timelines, and outreach efforts.

Attachments

Attachment A: Oregon Department of Revenue – Senior Deferral Flyer

Attachment B: [Project 986 Consulting RFP Response](#)

Agency Contact

Robin Elliott, Policy Director, Property Tax Division

Robin.elliott@dor.oregon.gov

Phone: 503-507-7871



STAY IN THE HOME YOU LOVE

Oregon Property Tax Deferral for Disabled and Senior Homeowners Program

If you're at least 62, or disabled and eligible for Social Security Disability benefits, you can borrow from the State of Oregon to have your property taxes paid. See if you meet the qualifications at www.oregon.gov/dor.

CONTACT US

✉ DEFERRAL.UNIT@DOR.OREGON.GOV

☎ 503-945-8348 OR 800-356-4222

🌐 WWW.OREGON.GOV/DOR/DEFERRAL



SCAN ME