



Oregon

Kate Brown, Governor

Department of Revenue

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October 30, 2015

To: County Assessors and County Clerks

Subject: 2015 Oregon Laws Chapter 96 (HB 2127)

This letter is being provided to your offices to inform you of the Department of Revenue's understanding of 2015 Oregon Laws Chapter 96 (HB 2127). Oregon Laws Chapter 96 relates to transfers of fee title interest in real property to a governmental entity or public corporation that may have property exempt from taxation under ORS 307.040 or 307.090. It requires that in order to record an instrument conveying the fee title, it must be accompanied by a certificate by the assessor that all "charges" (defined in the law) and estimates of such charges (as may be required) have been paid as of the date of recording.

This narrative is not intended as legal advice and is not intended to be binding upon your offices.

Below is a list of issues and scenarios of concern and the Department's understanding of how they may fall within the requirements of 2015 Oregon Laws Chapter 96.

Issue	Applicability
A portion of property is transferred for highway, road or right of way use but the charges remain against the remainder portion.	No certificate required.
The grant of an easement or other transfer of property rights less than fee title.	No certificate required.
An entire property is transferred to a public entity.	Certificate is required.
Property is transferred from an exempt (private or public) entity to public entity.	Certificate is required. The transferor/grantor is not relevant to determining if certification is required or not.



<p>The assessor certifies charges as of a certain date, clerk records deed on a later date.</p>	<p>Assessor must certify that all charges and estimated charges have been paid through the date of recording. The clerk may need to coordinate with the assessor about a process to ensure a certificate is applicable to the date of recording.</p>
<p>Property is acquired by the county through property tax foreclosure process.</p>	<p>Taxes are cancelled on acquisition by the county (ORS 275.260). Certificate is required, but no charges exist to be paid at time of acquisition.</p>
<p>Property acquired remains taxable after government acquisition (such as Housing and Urban Development mortgage foreclosures)</p>	<p>No certificate required if the property would be taxable after transfer. An assessor's determination of whether the property would be taxable or exempt may be necessary.</p>
<p>Real property with a personal property delinquent tax lien attached to it is being transferred to a public entity.</p>	<p>The lien is included in the charges that must be paid prior to certification.</p>
<p>Property being transferred has been specially assessed or otherwise has potential additional tax or additional taxes.</p>	<p>The definition of "charges against real property" includes additional taxes and potential additional taxes. Potential additional tax must be paid in order for the assessor to issue the certificate. However, if the additional taxes or potential additional taxes cannot be imposed (such as per ORS 308A.709), certification may be made without payment of those amounts.</p>

If you have any concerns with this, please feel free to contact the Finance, Taxation and Exemptions Unit by email at finance.taxation@oregon.gov

Sincerely,

Greg Kramer