

Property Tax Deferral Programs Annual Report

April 2009

Senior Citizen
Disabled Citizen
Special Assessment



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2009 Senior and Disabled Property Tax Deferral Programs

Overview

Background

The State of Oregon established programs that allow qualifying citizens to delay paying property taxes on their residences—including manufactured homes, house boats, multifamily, and income-producing properties (e.g., home business). When a landowner qualifies for one of the deferral programs, the state pays the property taxes. The landowner repays to the state the deferred tax plus interest and fees at the time the applicant moves from the property, sells the home, or passes away. The state secures the repayment through a lien placed against the property. The original lien amount is based on a projection of the time in the program. The lien is released once the actual amount of deferred taxes is repaid.

Currently, these programs are open to low-income senior citizens and disabled persons. Seniors may defer their annual property taxes and the costs of public improvements that are charged against their property. These improvements may include sewer or sidewalk installation, road improvements, and more. Low-income disabled citizens can only defer their property taxes.

Status and funding

The total number of participants in these programs, 8,770, has changed slightly over the past two years. Property tax payments to counties have gone up by 10.7 percent and repayments of deferral accounts increased by 4.7 percent.

Of the three programs, enrollment in the Senior Property Tax Deferral program increased slightly in 2008—it currently has 7,859 participants. This is 185 more than in 2007. This program is projected to grow as Baby Boomers get closer to retirement age. The Disabled Property Tax Deferral program continues to grow as people find out about this program. It currently has 869 participants, which is 83 more than the prior year. The Senior Special Assessment program continues to decrease—it currently has 42 participants. Although it has three more participants than in 2007, the overall number of participants is down by 10 since 2006. This program continues to decrease due to fewer public improvement projects impacting individual properties and also due to the structure of the program. This program contains an interest compounding factor not found in the other programs.

The 2005 Legislature changed the financial base for these programs. Originally, these programs borrowed money from the state's General Fund with the intention of repaying this loan, plus interest, through the amounts repaid by landowners. Repayments were made by the Deferral program until the 2005 Legislature released the programs from the obligation to repay the General Fund. A stipulation was added to the law that the programs would pay receipts over and above an identified threshold to Oregon Project Independence (OPI). OPI is a program designed to assist seniors with personal care, medication management, meal preparation, shopping, housekeeping, and transportation. An initial payment of \$250,000 was made in January 2006 to create a fund for future payments. The first annual distribution of revenues was \$14,293,047.83 in January 2008. After this payment, the department will make annual payments to OPI. Due to lack of funds, OPI did not receive a payment in January 2009. Future payments will be entirely dependent on the amount of taxes paid and repayments collected. Figure 1 gives a snapshot of the cash flows for the past five years.

Revolving Account Dollars vs. Payments vs. Repayments

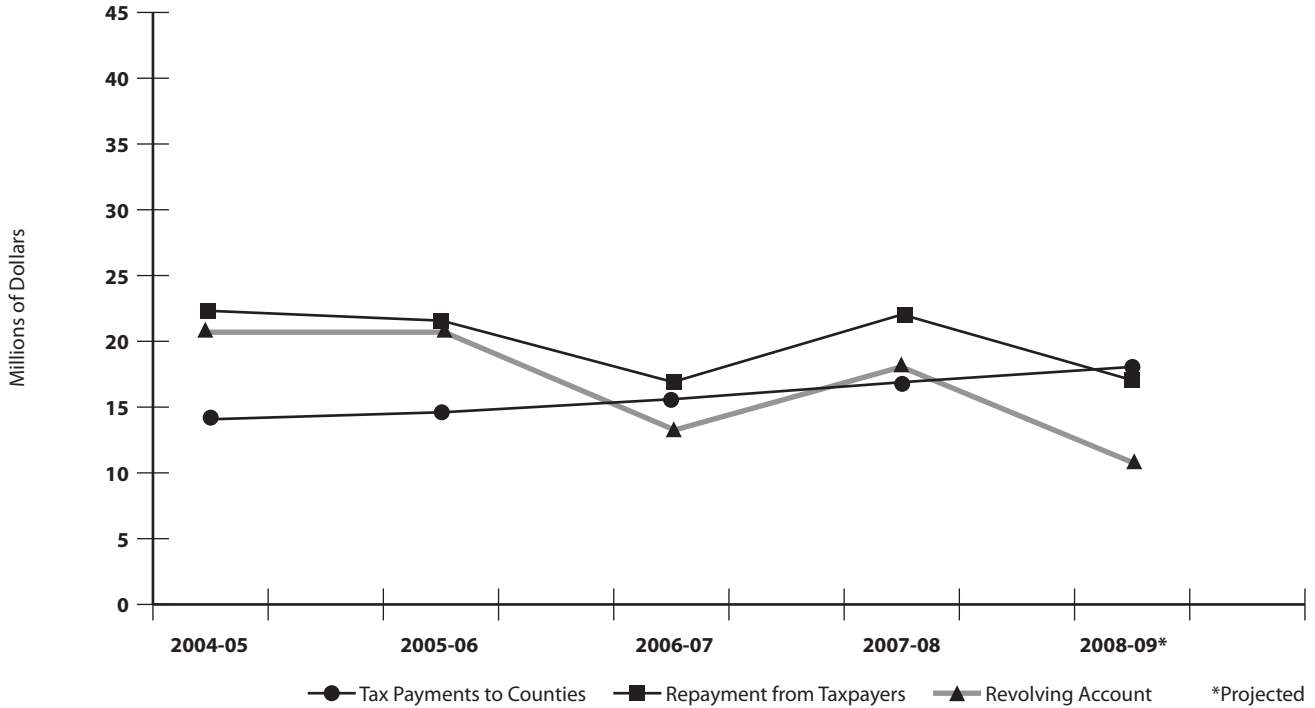


Figure 1: This figure shows the relationship of the Deferral Revolving Account balance to the in-flow and out-flow of money.

What are Oregon’s Deferral Programs?

Senior and Disabled Deferral Programs

The Oregon Department of Revenue (DOR) administers the Senior and Disabled Deferral Programs.

If a citizen qualifies for one of the deferral programs, the state will pay their property taxes to the county. A lien is placed against the property. The taxpayer is charged a lien recording fee, and interest on the deferred taxes of 6 percent per year. The recording fee and interest are also deferred. On manufactured structures, an additional \$55 fee will be charged to the account for DOR to become a security interest holder.

The deferred taxes and fees are repaid when any one of the following events occurs (repayment of taxes and fees becomes due August 15 after the calendar year any one of these events occurs):

1. The taxpayer receiving the deferral dies. (Note: a surviving spouse may qualify to continue deferring the taxes.)
2. The property is sold or in some other way changes ownership.
3. The taxpayer ceases to live permanently on the property.

Program participants receive account statements from DOR annually in December. This updates the participants on the amount of tax being deferred and interest accrued on their account.

Applicant Qualifications:

- Application for deferral must be made through the local county assessor's office between January 1 and April 15 (annual re-application is not required once a participant is in the program);
- For the Senior Citizens' Property Tax Deferral, applicants must be age 62 on or before April 15 of the application year.
- For the Disabled Citizen's Property Tax Deferral, applicants must be determined eligible to receive, or are receiving federal Social Security disability benefits on or before April 15 of the application year.
- Applicants must meet approved income limits for taxable and nontaxable income. (Note: An annual income test must be met once a participant is in the program);
- Applicants must have a recorded deed to the property, or be buying the property under a recorded sales contract. A revocable trust is allowed; and
- The applicant must live on the property (qualifying medical absence is allowed).

Program Trends

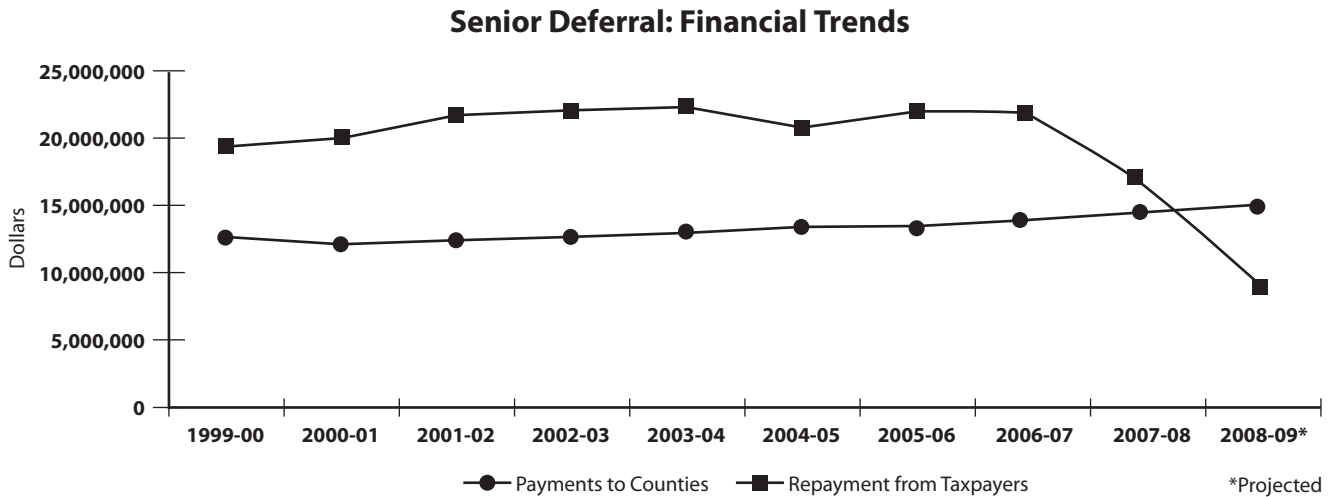


Figure 2: Senior Deferral Program—Shows the in-flow and out-flow of funds over a 10-year period.

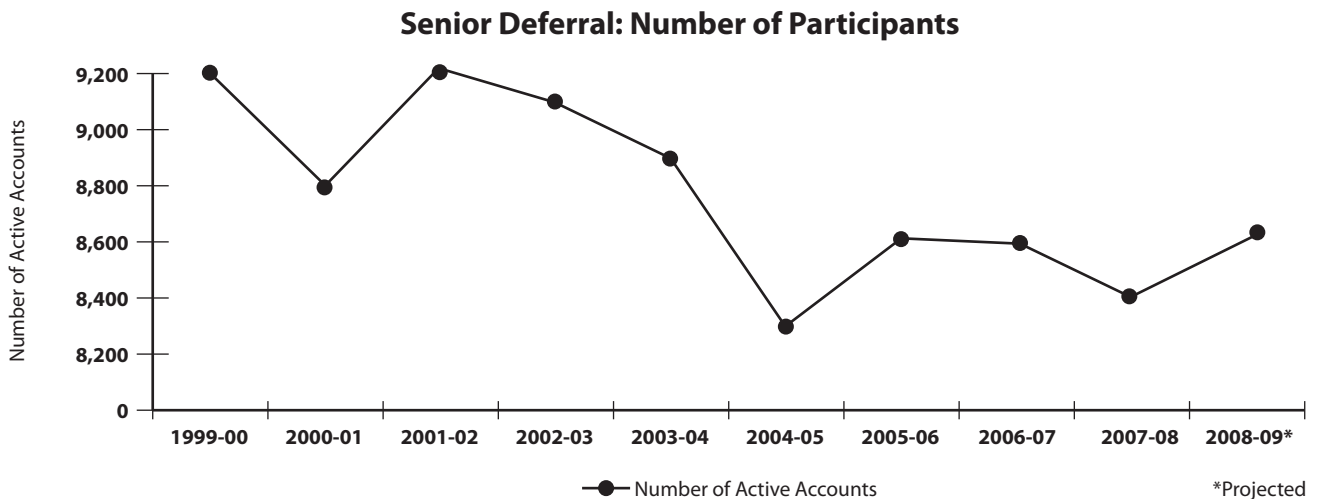


Figure 3: Senior Deferral Program—Shows the number of active accounts for a 10-year period.

Disabled Deferral: Financial Trends

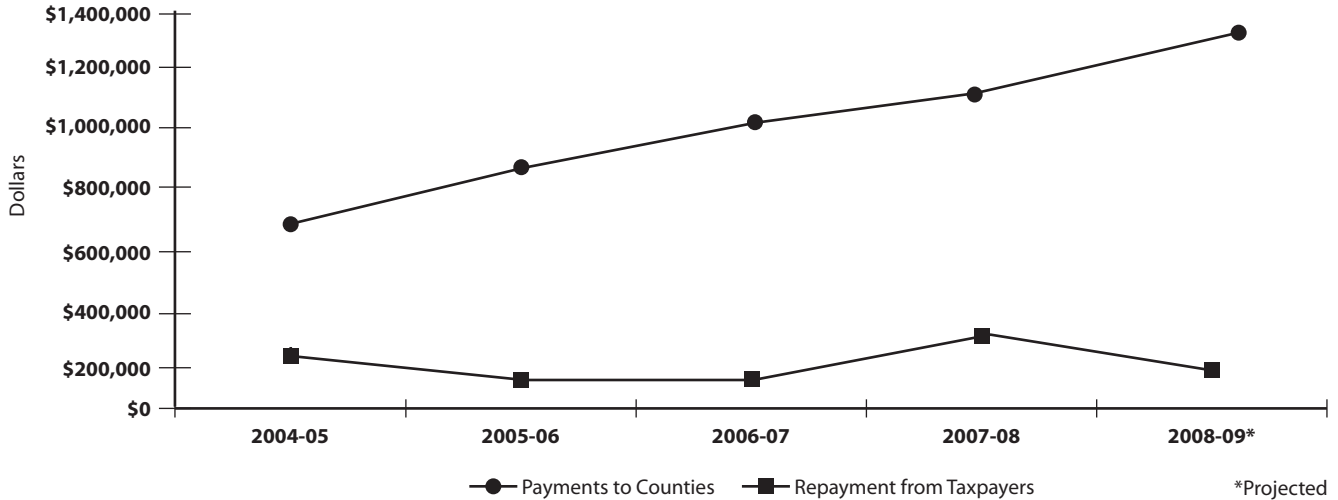


Figure 4: Disabled Deferral Program—Shows the in-flow and out-flow of funds over a 5-year period.

Disabled Deferral: Number of Participants

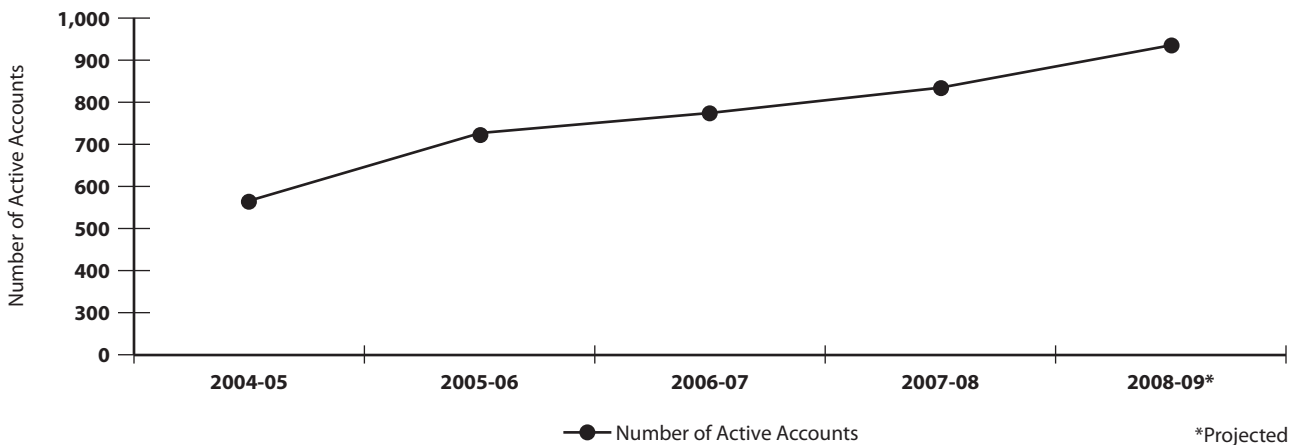


Figure 5: Disabled Deferral Program—Shows the number of active accounts for a 5-year period.

Special Assessment Deferral Program

Homeowners age 62 or older may “borrow” from the state to pay for public improvement assessments charged against their property. These assessments are from a city, county, sanitary district, or other taxing district for improvements such as paved streets, sidewalks, and sewers. The assessments are usually large and homeowners may need to make installment payments over several years.

If a citizen qualifies for the Special Assessment program, the state will pay the assessment installments to the taxing district. A lien is placed on the property. The citizen repays the assessment fees and the 6 percent interest when they move from or sell the property, another change of ownership occurs, or they pass away.

Qualifications to apply for the program are similar to the Senior Citizen Property Deferral program. Taxpayers may apply for the program after October 1 and on or before December 1 at the taxing district office billing for the improvement.

DOR pays the special assessment installments to taxing districts twice per year, in February and August.

Program Trends

Special Assessment Deferral: Financial Trends

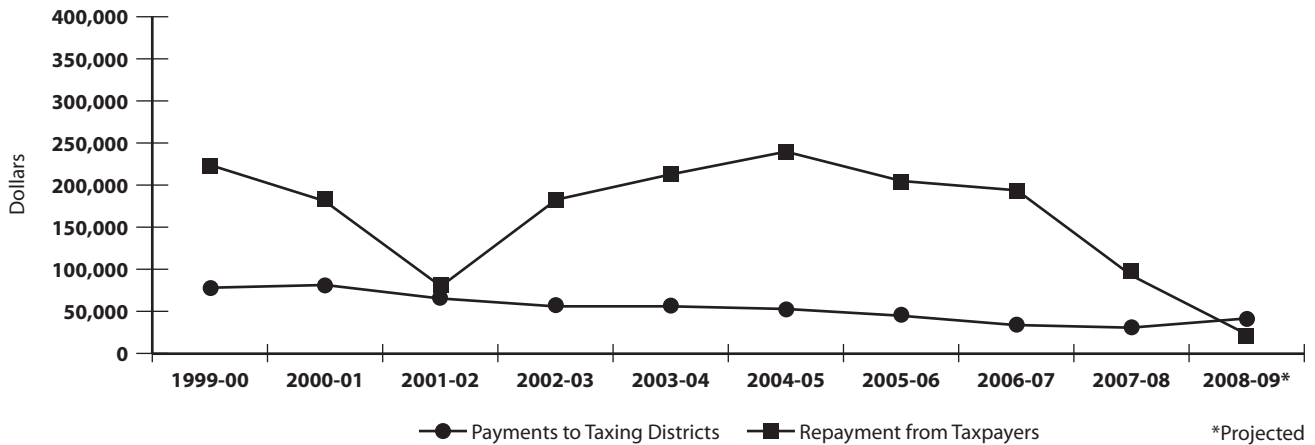


Figure 6: Special Assessment Deferral Program—Shows the in-flow and out-flow of funds over a 10-year period.

Special Assessment Deferral: Number of Participants

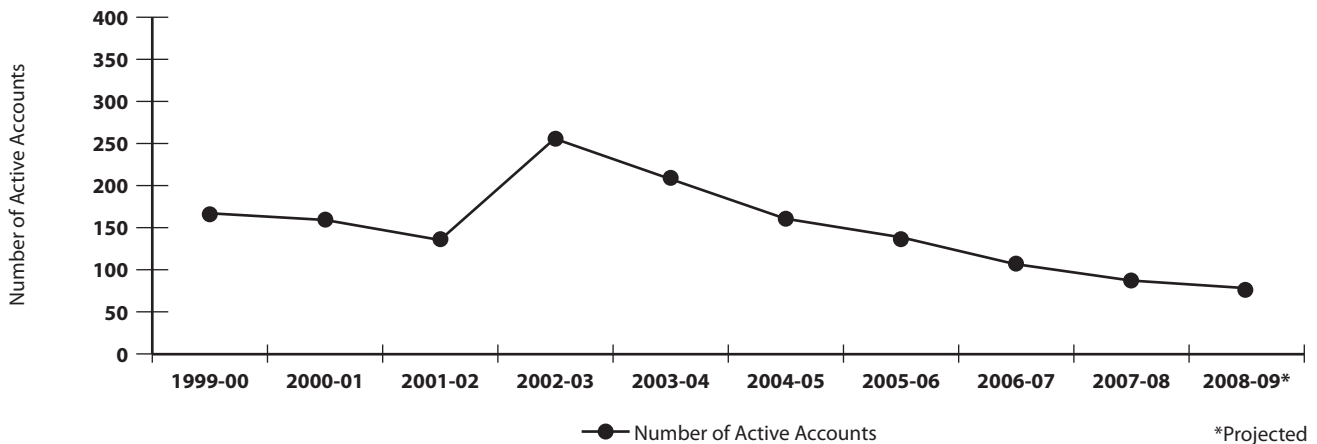


Figure 7: Special Assessment Deferral Program—Shows the number of active accounts for a 10-year period.

Responsibilities within the Deferral Programs

Senior or Disabled person:

- Provides application information, including household income, to county of residence.
- Notifies the Department of Revenue of address changes, changes to property ownership, and long-term absences from the residence for medical reasons.
- Provides annual income information when requested.
- Notifies Department of Revenue of intent to cancel from the program (if needed).

The Counties:

- Review applications; provide legal description and tax account information; and forward to Department of Revenue.
- Notify Department of Revenue of changes in ownership.
- Provide tax amounts to be paid to Department of Revenue annually.
- Inform Department of Revenue of foreclosures.
- Pay deferred taxes when the foreclosure is initiated by the county.

The Department of Revenue:

- Supervises and administers the deferral programs, ensuring that the programs comply with statutory requirements.
- Processes and approves deferral applications received from the counties and taxing districts.
- Manages account maintenance— setting up new accounts; reviewing account status, lien recordings, and releases; verifies income limits; and tests taxpayer accounts for excess income limits, continued eligibility, etc.
- Assists citizens who inquire about the programs or their accounts.
- Works cooperatively with counties, Department of Veterans Affairs, title companies, mortgage companies, U.S. Department of Agriculture, and others in order to resolve account issues and provide education about the program.
- Processes timely property tax or assessment payments to the counties and the taxing districts.
- Provides fiscal accountability for the deferral programs.
- Transfers money to Oregon Project Independence when the Revolving Account balance exceeds \$5 million on November 30.

Appendix A: Revolving Account Summary for the Senior, Disabled, and Special Assessment Programs

Fiscal Year	Property Tax Payments to Counties/Taxing Districts	% of Payment Change	Taxpayer Repayment	% of Repayment Change	Ending Fiscal Year Revolving Cash Account Balance	OPI**	Fund Appropriation
1984–85	14,730,321	6.21%	4,017,512	34.11%	6,272,536		N/A
1985–86	15,840,107	7.01%	5,858,936	31.43%	4,684,862		\$8,400,000
1986–87	16,653,226	4.88%	9,320,417	37.14%	5,359,353		8,007,000
1987–88	18,393,213	9.46%	9,933,568	6.17%	7,099,820		10,200,000
1988–89	19,409,900	5.24%	11,116,549	10.64%	7,906,468		9,100,000
1989–90	20,163,847	3.74%	15,346,730	27.56%	13,316,349		10,227,000
1990–91	18,383,129	-9.69%	15,603,371	1.64%	11,008,628		3,000,000
1991–92	17,684,657	-3.95%	17,051,327	8.49%	12,899,867		2,000,000
1992–93	17,084,951	-3.51%	18,484,085	7.75%	14,299,001		2,000,000
1993–94	16,057,838	-6.40%	20,021,832	7.68%	18,262,995		1,282,801
1994–95	14,739,618	-8.94%	18,351,826	-9.10%	21,875,202		1,282,801
1995–96	13,518,981	-9.03%	18,712,224	1.93%	21,788,139		(5,000,000)
1996–97	14,702,523	8.05%	19,901,161	5.97%	21,595,302		(5,000,000)
1997–98	13,260,035	-10.88%	20,788,200	4.27%	28,746,407		—
1998–99	12,832,015	-3.34%	21,718,954	4.29%	38,316,783		—
1999–00	12,443,192	-3.12%	19,540,671	-11.15%	42,952,898		—
2000–01	12,392,295	-0.41%	20,171,563	3.13%	33,011,514		(17,000,000)
2001–02	12,834,644	3.45%	21,792,266	7.44%	41,268,271		—
2002–03	13,195,587	2.74%	22,204,930	1.86%	25,729,258		(24,000,000)
2003–04	13,783,142	4.26%	22,647,186	1.95%	34,125,462		—
2004–05	14,321,711	3.76%	22,287,796	-1.61%	13,899,843		(27,700,000)
2005–06	14,397,413	0.53%	21,992,524	-1.34%	20,898,381	\$(250,000)	
2006–07	14,813,503	2.81%	21,134,989	-4.06%	20,898,381		
2007–08	15,680,784	5.53%	17,517,921	-20.65%	13,694,556	(14,293,048)	
2008–09*	16,588,304	5.47%	22,185,723	21.04%	17,973,814		

* Projected

** Oregon Project Independence (OPI)—Future funds will be allocated into the Oregon Project Independence Fund instead of the General Fund due to a law change. (ORS 311.701 (5)(b)).

Summary of Deferral Programs Annual County Payments vs. Taxpayer Repayments

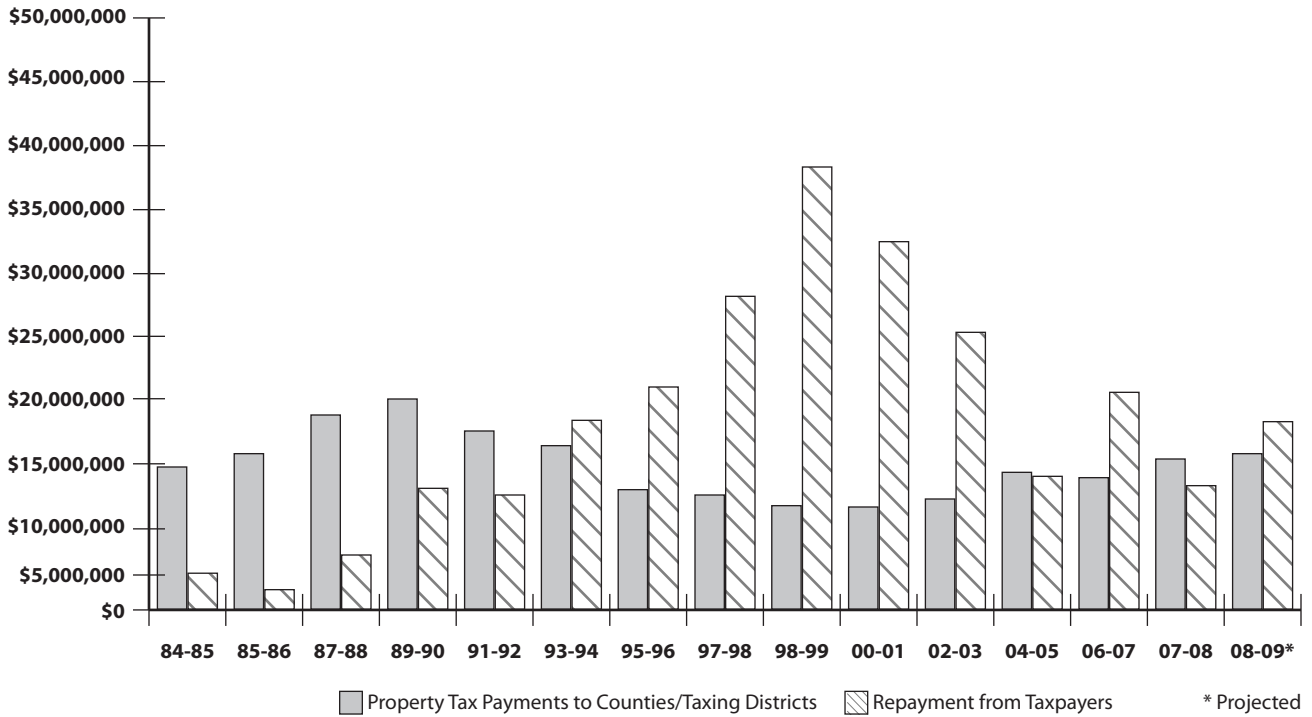


Figure 8: This figure shows the historical and projected in-flows and out-flows of funds since the Department of Revenue took over the administration of these programs.

Monthly Cash Balances July 2007–June 2009

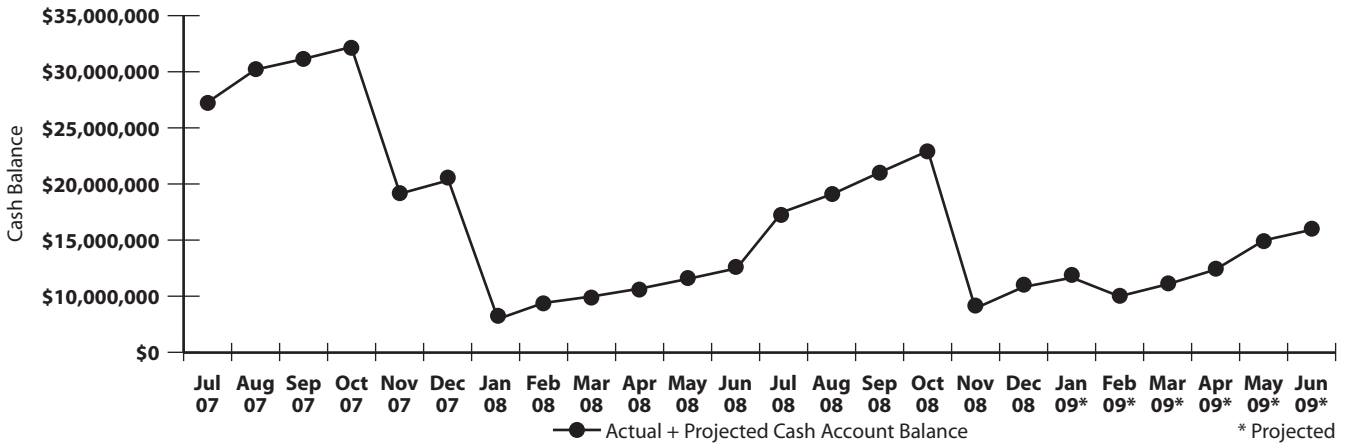


Figure 9: Shows the cash flow by month over a 2-year period. November drop reflects the property tax payment made to counties.

Appendix B: Senior Citizen's Property Tax Deferral

Account Activity

Account Status*	2008	2007	2006	2005	2004	2003	2002
New Applications							
Approved	1,330	1,175	1,217	1,198	1,131	1,116	1,117
Denied	120	108	100	78	78	69	73
Active Accounts (Includes New Applications as of December 31)	7,859	7,674	7,692	7,760	7,836	7,927	8,107
Number of Excess Income Accounts	87	59	66	49	30	56	109
Cancelled Liabilities	55	51	32	45	107	36	40
Released Accounts	644	1,076	1,821	1,620	1,803	1,545	1,356

* Account Status: by calendar year

2008 Cancellation Detail

Reason for Liability to be Cancelled	Accounts Cancelled	Cancelled Tax	Cancelled Fees	Cancelled Interest
Abandoned Manufactured Structures	12	\$(51,318)	\$(205)	\$(36,940)
Foreclosures	14	\$(52,965)	\$(450)	\$(11,755)
Miscellaneous	25	\$(17,926)	\$(770)	\$(9,413)
Uncollectible	1	\$(7,371)	\$(10)	\$(2,264)

*As of December 31, 2008

County Payment Summary

County	2008/2009*			2007/2008		
	County Accounts Paid	Amount Paid	Average Per Account	County Accounts Paid	Amount Paid	Average Per Account
Baker	44	\$46,349	1,053	50	\$50,265	1,005
Benton	100	213,833	2,138	98	186,516	1,903
Clackamas	762	1,711,595	2,246	768	1,630,047	2,122
Clatsop	138	221,522	1,605	130	203,983	1,569
Columbia	94	144,152	1,534	91	131,178	1,442
Coos	249	263,530	1,058	245	246,346	1,005
Crook	98	139,403	1,422	90	114,028	1,267
Curry	66	78,371	1,187	68	70,188	1,032
Deschutes	309	529,378	1,713	290	450,906	1,555
Douglas	320	299,627	936	310	274,549	886
Gilliam	3	2,290	763	4	3,476	869
Grant	17	19,472	1,145	16	13,833	865
Harney	13	10,141	780	14	11,056	790
Hood River	25	35,980	1,439	26	33,262	1,279
Jackson	555	878,422	1,583	515	757,666	1,471
Jefferson	68	107,774	1,585	59	88,156	1,494
Josephine	245	236,545	965	229	205,962	899
Klamath	193	137,941	715	199	132,562	666
Lake	11	11,430	1,039	9	9,285	1,032
Lane	901	1,311,869	1,456	876	1,216,975	1,389
Lincoln	227	313,477	1,381	222	297,416	1,340
Linn	389	610,215	1,569	372	571,295	1,536
Malheur	30	22,318	744	29	23,864	823
Marion	582	982,725	1,689	573	913,537	1,594
Morrow	19	12,500	658	18	11,355	631
Multnomah	1,859	4,577,448	2,462	1,856	4,564,158	2,459
Polk	152	245,025	1,612	156	240,770	1,543
Sherman	4	1,528	382	5	1,636	409
Tillamook	69	80,025	1,160	70	80,798	1,154
Umatilla	109	128,135	1,176	109	125,401	1,150
Union	41	38,267	933	45	40,303	896
Wallowa	8	9,470	1,184	9	9,579	1,064
Wasco	58	86,488	1,491	60	86,541	1,442
Washington	695	1,440,994	2,073	682	1,391,770	2,041
Wheeler	5	4,933	987	4	3,340	835
Yamhill	194	317,945	1,639	187	293,490	1,569
Totals	8,652	\$15,271,119		8,483	\$14,485,492	

* Actual Payments as of December 31, 2008

Yearly Summary History: 1964–2008

Fiscal Year	Number of Active Accounts	Payment to Counties	Average Paid Per Account	Taxpayer Repayment
1964-65	142	\$12,202	\$86	N/A
1965-66	199	18,419	93	N/A
1966-67	215	20,983	98	N/A
1967-68	195	21,770	112	N/A
1968-69	N/A	N/A	N/A	N/A
1969-70	N/A	N/A	N/A	N/A
1970-71	288	56,000	194	N/A
1971-72	280	92,480	330	N/A
1972-73	284	103,616	365	N/A
1973-74	258	98,820	383	N/A
1974-75	260	119,527	460	N/A
1975-76	262	144,383	551	N/A
1976-77	637	381,427	599	N/A
1977-78	814	656,693	807	\$65,686
1978-79	1,976	1,670,137	845	273,127
1979-80	4,000	2,617,934	654	370,277
1980-81	6,046	4,373,007	723	558,734
1981-82	7,097	6,505,010	917	832,703
1982-83	8,827	9,736,867	1,103	N/A
1983-84	10,976	12,967,485	1,181	3,811,723
1984-85	11,603	14,342,648	1,236	3,959,307
1985-86	12,228	15,417,212	1,261	5,778,529
1986-87	12,632	16,196,690	1,282	9,141,048
1987-88	12,738	18,262,231	1,434	9,831,117
1988-89	13,092	19,167,276	1,464	10,969,941
1989-90	13,165	19,911,799	1,512	15,066,300
1990-91	12,976	18,167,010	1,400	15,394,194
1991-92	12,039	17,461,208	1,450	16,677,376
1992-93	12,181	16,924,316	1,389	18,193,510
1993-94	11,681	15,876,786	1,359	19,765,010
1994-95	11,216	14,571,349	1,299	17,862,662
1995-96	10,763	13,347,828	1,240	18,405,095
1996-97	10,520	14,559,917	1,384	19,700,975
1997-98	10,823	13,093,274	1,210	20,535,456
1998-99	9,769	12,734,020	1,304	21,381,833
1999-00	9,184	12,732,838	1,386	19,317,567
2000-01	8,822	12,319,713	1,396	19,990,648
2001-02	9,215	12,555,386	1,362	21,603,097
2002-03	9,117	12,791,203	1,403	21,923,171
2003-04	8,900	13,212,077	1,485	22,307,181
2004-05	8,300	13,556,501	1,633	20,676,359
2005-06	8,666	13,476,021	1,555	21,931,191
2006-07	8,627	13,757,988	1,595	21,534,083
2007-08	8,483	14,485,492	1,663	17,111,993

Appendix C: Disabled Citizens' Property Tax Deferral

Account Activity

Account Status*	2008	2007	2006	2005	2004	2003	2002
New Applications							
Approved	178	139	182	184	189	155	126
Denied	39	36	28	42	36	27	30
Active Accounts (Includes New Applications as of December 31)	869	786	712	633	524	387	281
Number of Excess Income Accounts	4	10	8	3	3	0	2
Cancelled Liabilities	9	9	3	9	11	4	2
Released Accounts	42	60	95	96	70	57	36

* Account Status: by calendar year

2008 Account Cancellation Detail

Reason for Liability to be Cancelled	Accounts Cancelled	Cancelled Tax	Cancelled Fees	Cancelled Interest
Abandoned Manufactured Structures	-	\$-	\$-	\$-
Foreclosures	4	\$(14,743)	\$(160)	\$(1,572)
Miscellaneous	3	\$-	\$(175)	\$-
Uncollectible	2	\$(249)	\$(70)	\$(48)

*As of December 31, 2008

County Payment Summary

County	2008/2009*			2007/2008		
	County Accounts Paid	Amount Paid	Average Per Account	County Accounts Paid	Amount Paid	Average Per Account
Baker	16	\$9,993	\$625	11	\$5,133	\$467
Benton	12	22,721	1,893	11	16,209	1,474
Clackamas	64	105,263	1,645	53	85,981	1,622
Clatsop	11	14,156	1,287	13	16,153	1,243
Columbia	13	14,914	1,147	10	12,780	1,278
Coos	24	24,062	1,003	26	23,783	915
Crook	9	11,874	1,319	3	6,345	2,115
Curry	10	10,775	1,077	12	8,928	744
Deschutes	51	69,154	1,356	42	55,345	1,318
Douglas	34	39,438	1,160	29	27,757	957
Gilliam	1	439	439	0	0	0
Grant	2	1,022	511	2	1,218	609
Harney	1	729	729	1	708	708
Hood River	3	2,485	828	3	2,518	839
Jackson	65	82,730	1,273	56	72,624	1,297
Jefferson	4	5,047	1,262	4	3,829	957
Josephine	19	16,489	868	11	12,501	1,136
Klamath	41	24,765	604	29	17,016	587
Lake	5	5,660	1,132	3	2,212	737
Lane	143	156,835	1,097	128	139,156	1,087
Lincoln	37	31,783	859	33	25,214	764
Linn	46	56,325	1,224	48	56,042	1,168
Malheur	3	2,533	844	4	1,900	475
Marion	41	52,133	1,272	36	45,370	1,260
Morrow	1	948	948	1	887	887
Multnomah	196	402,184	2,052	183	363,563	1,987
Polk	12	19,537	1,628	7	9,620	1,374
Sherman	2	1,572	786	2	1,493	746
Tillamook	6	4,475	746	3	2,185	728
Umatilla	14	16,637	1,188	11	12,053	1,096
Union	6	6,533	1,089	5	4,915	983
Wallowa	3	1,435	478	3	1,439	480
Wasco	6	7,380	1,230	7	8,210	1,173
Washington	36	57,772	1,605	36	57,448	1,596
Wheeler	0	0	0	0	0	0
Yamhill	27	37,389	1,385	30	41,993	1,400
Totals	964	\$1,317,185		856	\$1,142,527	

* As of December 31, 2008

Yearly Summary History: 2001-2008

Fiscal Year	Number of Active Accounts	Payment to Counties	Average Paid Per Account	Taxpayer Repayment
2001-02	206	\$214,446	\$1,041	\$24,032
2002-03	326	351,930	1,080	104,276
2003-04	448	517,347	1,155	128,840
2004-05	584	691,349	1,184	224,502
2005-06	723	860,444	1,190	156,015
2006-07	809	1,010,199	1,249	153,190
2007-08	856	1,142,527	1,348	154,909

Appendix D: Senior Citizens' Special Assessment Deferral

Account Activity

Account Status*	2008	2007	2006	2005	2004	2003	2002
New Applications							
Approved	5	5	3	5	4	12	14
Denied	1	0	0	0	1	0	0
Active Accounts	42	39	52	68	79	96	121
Number of Excess Income Accounts	0	0	0	0	0	N/A	N/A
Cancelled Liabilities	0	0	0	0	3	1	2
Released Accounts	3	17	27	37	54	50	33

* Account Status: by calendar year

2008 Account Cancellation Detail

Reason for Liability to be Cancelled	Accounts Cancelled	Cancelled Tax	Cancelled Fees	Cancelled Interest
Abandoned Manufactured Structures	—	—	—	—
Deceased - No Assets	—	—	—	—
Foreclosures	—	—	—	—
Miscellaneous	—	—	—	—
Uncollectible	—	—	—	—

*As of December 31, 2008

Taxing District Payment Summary

Taxing District	2008/2009*			2007/2008**		
	Taxing Dist. Accounts Paid*	Amount Paid	Average Per Account	Taxing Dist. Accounts Paid**	Amount Paid	Average Per Account
City of Albany	6	\$5,513	\$919	4	\$3,726	\$932
City of Bandon	2	477	238	2	477	238
City of Bend	8	2,626	328	8	2,626	328
City of Central Point	3	746	249	4	994	249
City of Florence	0	0	0	1	300	300
City of Gresham	2	282	141	2	282	141
City of Medford	2	713	357	2	713	357
City of Pendleton	2	823	411	2	823	411
City of Portland	33	20,358	617	44	13,434	305
City of Seaside	2	280	140	2	294	147
City of Tigard	4	3,610	903	4	3,610	903
Clackamas River Water	2	669	335	2	690	345
Deschutes County	8	3,454	432	5	2,399	480
Rogue Valley	4	1,138	284	4	1,138	284
Totals	78	\$40,690		86	\$31,507	

* Account Payments for February 2009 and August 2008

** Account Payments for February 2008 and August 2007

Yearly Summary History: 1977–2008

Fiscal Year	Number of Active Accounts	Payment to Taxing Districts	Average Paid Per Account	Taxpayer Repayment
1977-78	30	\$5,304	\$177	N/A
1978-79	111	6,197	56	N/A
1979-80	168	31,438	187	N/A
1980-81	184	64,812	352	N/A
1981-82	246	108,702	442	N/A
1982-83	389	255,251	656	N/A
1983-84	404	307,497	761	\$52,462
1984-85	430	366,978	853	58,205
1985-86	501	368,146	735	80,407
1986-87	419	283,619	677	179,369
1987-88	422	231,167	548	102,451
1988-89	396	242,624	613	146,608
1989-90	393	252,048	641	280,430
1990-91	379	219,512	579	209,177
1991-92	411	223,449	544	373,951
1992-93	476	160,635	337	290,575
1993-94	495	181,052	366	256,822
1994-95	504	168,269	334	489,164
1995-96	431	171,153	397	307,129
1996-97	365	142,606	391	200,186
1997-98	343	166,761	486	252,744
1998-99	209	97,995	469	337,121
1999-00	170	70,354	414	223,104
2000-01	155	72,582	468	180,915
2001-02	137	64,811	473	81,733
2002-03	254	52,328	206	177,483
2003-04	211	53,717	255	211,164
2004-05	158	51,883	328	243,887
2005-06	132	47,370	359	200,590
2006-07	105	32,974	314	196,958
2007-08	86	31,507	366	95,350

Appendix E: Deferral Program History Timeline

Senior and Disabled Citizen's Property Tax Deferral Program:

-
- 1964 • Senior Citizen Deferral (SCD) begins; administered by the Secretary of State.
-
- 1978 • Program moves to the Oregon Department of Revenue.
• Income limit set: \$1,800 per year allowable income from the property.
• Liens issued for each account July 1 of each year.
-
- 1983 • Initiation of Delay of Foreclosure: property taxes delinquent to the county before SCD application is received may be deferred.
-
- 1984 • Application income limit: Less than \$17,500 per household, taxable and nontaxable.
-
- 1990 • Application income limit: Less than \$18,500 per household, taxable and nontaxable.
• Active account annual income limit: \$24,000 federally adjusted gross income (FAGI).
• If the FAGI limit is exceeded, taxpayer pays all property taxes due for that year. Taxpayer may reactivate deferral the following year if the FAGI falls below limit.
• July 1, new liens issued on all accounts: lien amount calculated is an estimate of future taxes to be paid, interest to be charged, and lien recording fees based on life expectancy tables.
-
- 1991 • Application income limit: Less than \$19,500 per household, taxable and nontaxable.
-
- 1996 • Application income limit: Less than \$24,500 per household, taxable and nontaxable.
• Active account annual income limit: \$29,000 FAGI.
-
- 2001 • Disabled Citizen's Property Tax Deferral Program begins.
• Lien is 90 percent of Real Market Value (RMV).
• Application income limit: Less than \$27,500 per household, taxable and nontaxable.
• Active account annual income limit: \$32,000 FAGI.
• If the FAGI is exceeded: deferral tax payments are reduced to \$0.50 for each dollar exceeded over \$32,000. If excess income exceeds the property tax owing, the account is disqualified for the year.
• 2001 Legislation revised both the application and the annual household income limitation.
• The application household income limit will be calculated annually, using the Consumer Price Index (CPI) of the first six months of the prior year compared to the first six months of the current year. The annual household income limit will use the same calculation and continue to be based on the taxpayer's annual FAGI.
-
- 2002 • Application income limit: Less than \$32,000 per household, taxable and nontaxable.
-
- 2003 • Application income limit: \$32,500.
-
- 2004 • Application income limit: \$33,000.
• Active account annual income limit: \$33,000 FAGI.
-
- 2005 • Application income limit: \$34,000.
• Active account annual income limit: \$34,000 FAGI.
-
- 2006 • Application income limit: \$35,000.
• Active account annual income limit: \$35,000 FAGI.
-
- 2007 • Application income limit: \$36,500.
• Active account annual income limit: \$36,500 FAGI.
-
- 2008 • Application income limit: \$37,500.
• Active account annual income limit: \$37,500 FAGI.
-

Senior Citizen's Special Assessment Deferral:

-
- 1977
- Program begins.
 - No income qualification.
 - No delay of foreclosure available.
 - DOR will pay delinquent assessments if applied for at time of initial application only.
-
- 1984
- Application income limit: Less than \$17,500 per household, taxable and nontaxable.
-
- 1986
- Requirement of applicant to file annually removed.
 - Removed: bonding officer provides renewal installment information for each year.
-
- 1987
- Liens issued on all accounts beginning January 1.
-
- 1997
- New applications filed between October 1 and December 1.
 - No renewal requirement.
 - Installment payments made in January and July.
 - All accounts owing the taxing district less than \$1,000 paid.
-
- 2001
- 2001 Legislation revised the both the application and the annual household income limitation.
 - The application household income limit will be calculated annually, using the Consumer Price Index (CPI) of the first six months of the prior year compared to the first six months of the current year. The annual household income limit will use the same calculation and continue to be based on the taxpayer's annual FAGI.
-
- 2002
- Application income limit: Less than \$32,000 per household, taxable and nontaxable.
-
- 2003
- Application income limit: \$32,500.
 - Active account annual income limit: \$32,500 FAGI.
-
- 2004
- Application income limit: \$33,000.
 - Active account annual income limit: \$33,000 FAGI.
-
- 2005
- Application income limit: \$34,000.
 - Active account annual income limit: \$34,000 FAGI.
-
- 2006
- Application income limit: \$35,000.
 - Active account annual income limit: \$35,000 FAGI.
-
- 2007
- Application income limit: \$36,500.
 - Active account annual income limit: \$36,500 FAGI.
-
- 2008
- Application income limit: \$37,500.
 - Active account annual income limit: \$37,500 FAGI.
-

