

## Fire or Act of God—Tax Proration

Oregon's tax year runs from July 1 through June 30. Taxes on property that has experienced a casualty loss due to either an act of God or a fire during the tax year may be eligible for reduction. The reduction is referred to as a "proration of tax."

### What qualifies?

If any real or personal property is damaged or destroyed by an act of God or by fire, the property is eligible for a proration of the taxes. An act of God is generally considered an act of nature without human interference. For example, damage from a tornado or a lightning strike is an act of God. Damage isn't an act of God if it is caused by the property owner. Property that is damaged or destroyed by a fire qualifies for proration as long as the applicant hasn't been convicted of arson for the property for which relief is sought. You would be eligible for relief if, for example, your house burns down as the result of an accident or if you ask the fire department to burn it down for practice.

### Who may apply?

For real property, the owner or purchaser under a recorded instrument of sale may apply. For personal property, the person assessed, person in possession, or owner of the property may apply. All applications are made to the tax collector.

If the damaged or destroyed property is located within a geographical area covered by a state of emergency declared by the Governor due to fire or act of God, or subject to a conflagration action taken under the authority of the Governor, the tax collector may prorate without application if they know or have reason to believe the property was destroyed or damaged. Though the tax collector may prorate taxes for these properties without an application, it is still recommended that you submit an application if your property is located in one of these areas.

### What is the deadline for submitting an application?

The application is submitted to the county tax collector no later than **the end of the tax year in which the damage or destruction occurs**, or 60 days after the date the property was damaged or destroyed, whichever is later. The end of the tax year is June 30. For example, if your property is destroyed by strong winds on November 1, you must file an application by the following June 30. If that same property is destroyed on June 20, the application deadline is 60 days later, August 19.

### Where do I get an application and with whom do I file it?

Applications are available at [www.oregon.gov/dor](http://www.oregon.gov/dor) or at each county tax collector's office. In some counties, applications may also be available in the assessor's office. File your application with the county tax collector. The tax collector consults with the assessment staff to determine whether or not the property has been damaged or destroyed and how much value was lost.

### How is the refund calculated?

For property not specially assessed there must be a loss in real market value. For property not specially assessed, the percentage of real market value lost is multiplied by the total tax on the account for the month the property was destroyed or damaged and for each remaining month of the tax year. The tax collector refunds taxes overpaid or credits taxes owing for that year.

For property specially assessed under a program in ORS chapter 308A or 321 there must be a loss in assessed value. If the damage or destruction causes the real market value of the property to dip below the taxable assessed value, then a proration of tax is calculated. For specially assessed property, the percentage of assessed value lost is multiplied by the total tax on the specially assessed portion of the account for the month the property was damaged or destroyed and

for each remaining month of the tax year. The tax collector refunds taxes overpaid or credits taxes owing for that year.

A refund isn't required if proration results in a tax reduction of \$10.00 or less, and the tax has been paid. The tax collector uses the value determination of the assessment staff as a basis for recalculating your tax.

### **Is the value on the account reduced in the current tax year?**

No, the value on the account for the tax year in which the damage or destruction occurred isn't reduced. The account value is always the value of the account as of the assessment date for the tax year in which the taxes are being prorated.

### **Is the impact of the damage or destruction ever reflected in the property's value?**

Any loss in value will be considered in the account value for the assessment date following the occurrence. Normally, your property tax is based on the value of the property as of January 1 for the tax year beginning July 1 of that calendar year. If your prop-

erty is damaged or destroyed between January 1 and July 1, you may apply to the county assessor to have the real market and assessed value of the property determined as of July 1, rather than January 1. This application is due by August 1, or the 60th day following the date of damage/destruction, whichever is later, or may be filed by December 31 along with a payment of a filing fee. Contact your county assessor or visit [www.oregon.gov/dor](http://www.oregon.gov/dor) for the July 1 reassessment application form and filing information.

### **If I disagree can I appeal the decision?**

A decision of the tax or assessment office is appealable to the Magistrate's Division of the Oregon Tax Court. Appeals must be filed within 90 days after the act or omission becomes actually known to the person, but in no event later than one year after the act or omission occurred.

### **Do you have questions or need help?**

[www.oregon.gov/dor](http://www.oregon.gov/dor)  
503-378-4988 or 800-356-4222  
[questions.dor@dor.oregon.gov](mailto:questions.dor@dor.oregon.gov)

Contact us for ADA accommodations or assistance in other languages.