

Special Assessment Property Tax Program for Historic Properties

Financial incentives are important tools in encouraging the preservation of historic buildings. Established in 1975, Oregon's Special Assessment of Historic Property Program was the nation's first state-level historic preservation tax incentive. Current version of the program dates to 2009 Legislative Session which is set to expire in 2020.

Commonly referred to as the Special Assessment freeze – The program no longer functions that way.

To receive the maximum benefit, an application should be submitted BEFORE any rehabilitation is undertaken. This helps assure that the specially assessed value is the PRE-rehabilitation value.

Program Basics for a first term

- The property must be listed in the National Register of Historic Places, either individually or as a contributing property in a historic district, or be considered historic by the State Historic Preservation Officer, and listed within two years of being certified for the benefit program.
- A preservation plan must be prepared that outlines substantial rehab work the building will undergo during the 10-year period, with emphasis on exterior rehabilitation of the structure, especially what is visible from the public right of way and to correct any structural issues.
- There is an application fee equal to 1/10 of 1% (0.001) of the assessed value.
- 10% of the total real market value (RMV) of the property must be invested in rehabilitation within the first five years of the program. For most properties, this includes the RMV of both the building (improvements) and the land. This number is not calculated until during the first year of participation in the program.
- State Historic Preservation Office (SHPO) approval or local government approval, whichever is appropriate, is needed for exterior projects, and interior projects of substance.
- An approved plaque provided by the Oregon SHPO must be installed on the building.

Program basics for a Second and Final Term (changes from first term)

- The Preservation Plan for a second 10-year term is limited to the following types of projects: energy conservation, ADA compliance, seismic improvements, or sustainability, with an investment that meets or exceeds 10% of the total Real Market Value of the property at time of application.
- The Real Market Value of the property at time of application becomes the new assessed value for the program.

Curious if a building will qualify for the program? Call to discuss and/or set up a site visit to discuss on-site.

Questions? Contact Joy at Joy.Sears@oregon.gov or 503-985-0688