

**Form
OR-AP-CIPEZ**

**Application for
Construction-In-Process Enterprise Zone Exemption,**
as provided by ORS 285C.170 and OAR 123-674-6000

Filed with the Oregon Department of Revenue for 20_____.

Filed with the _____ County assessor for 20_____.

Account # _____

- File this application with the **county assessor** on or before April 1.
- If this is for state-appraised industrial property (ORS 306.126), you may file this application with the Oregon Department of Revenue by April 1. (The Oregon Department of Revenue will forward the application to the county assessor for processing.)
- This exemption applies to buildings, modifications, personal property, and any real or personal property machinery and equipment inside the enterprise zone that is expected to receive exemption under (ORS 285C.175) at the location identified in the approved Form OR-EZ-AUTH, *Oregon Enterprise Zone Authorization Application*, 150-303-029.*
- See other side for applicable statute and administrative rule.

Assessor's use only			
Received by	Date	Approved by	Date
Assessed value cancelled			
Building or addition _____			
Personal or real property machinery and equipment _____			
Total _____			

Name of authorized business firm	Code	Phone ()	
Address	City	State	ZIP code

Description of property

Account number(s)	Map and tax lot number(s)
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You affirm that the facility or portion of the facility subject to exemption:

- Will, upon completion, be qualified property for the enterprise zone exemption;
- Will be owned or leased by an already authorized business firm.*
- Has been exempt from taxation for no more than the current tax year;
- Isn't in use or occupancy on or before January 1;
- Is in the process of being constructed, modified, or installed to produce income as of January 1;
- Isn't centrally assessed (utility) property;
- Isn't to be operated as a hotel, motel or destination resort;* **and**
- All demolition has been completed.

*If authorization approval is still pending or in the case of hotel/resort, file Form OR-AP-CACFC, *Application for Cancellation of Assessment on Commercial Facilities Under Construction*, 150-310-020.

Owner of land (if different from owner of structure)		Phone ()	
Street address	City	State	
Address of improvement (street)	City	State	
Starting date of construction	Date of demolition, if any, completed at building site	Estimated completion date of construction	Cost of building, structure, or addition \$ _____.

Describe use of building, structure, or addition:

Attach a list of all personal and real property machinery and equipment located at the construction site on January 1 of the year noted above, that is or will be installed in or attached to the above-described building, structure, or addition. Use the following format:

Personal property/ machinery/ equipment. Make/model/type	Serial number	Purchase date	Purchase price	Date installed
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Was the above-named machinery and equipment included on your personal property return?

No Yes, the report was made in the name of _____

Declaration

I declare under the penalties for false swearing [ORS 305.990(4)] that I have examined this document (including any accompanying statements) and to the best of my knowledge, it is true, correct, and complete.

Signature of owner or officer of authorized business firm X	Name (print or type)	Title	Date
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Oregon Revised Statute (ORS) and Oregon Administrative Rule (OAR)

ORS 285C.170,

Construction-in-process exemption

(1) Property shall be exempt from ad valorem property taxation under this section if:

(a) The property is located in an enterprise zone;
(b) The property is owned or leased by an authorized business firm or the business firm is contractually obligated to own or lease the property upon the property's being placed in service;

(c) The property is or, upon completion of the construction, addition, modification or installation of the property, will be qualified property;

(d) The authorization of the business firm remains active under ORS 285C.140 or 285C.165;

(e) The property has not been subject to exemption under ORS 307.330 at the location;

(f) The property is not and will not be centrally assessed under ORS 308.505 to 308.665;

(g) The property is not to be operated as all or a part of a hotel, motel or destination resort; and

(h) There is no known reason to conclude that the property or the firm will not satisfy any applicable requirements for the property to be exempt under ORS 285C.175 upon being placed in service.

(2) Property may be exempt under this section for no more than two tax years, which must be consecutive.

(3) In determining whether property is exempt under this section, the county assessor:

(a) Shall adhere to the same procedures as apply under ORS 285C.175 (6) and (7); and

(b) May require the submission of additional evidence by the authorized business firm or zone sponsor showing that the property qualifies for exemption under this section. If required, the additional evidence must be submitted on or before April 1 of the assessment year.

(4) The exemption under this section does not depend on the property or the authorized business firm receiving the exemption under ORS 285C.175 or satisfying requirements applicable to the exemption under ORS 285C.175.

(5) A year in which property is exempt under this section shall be considered a year in which the property is exempt under ORS 307.330 for purposes of determining the maximum number of years for which the property may be exempt under this section or ORS 307.330. [2003 c.662 §34b].

123-674-6000

Exemption Prior to Property Being 'In Service'

Under ORS 285C.170 qualified property of an actively authorized business firm in the enterprise zone is exempt from ad valorem taxation for up to two years, such that:

(1) Consistent with OAR 123-674-6100(4), this exemption precedes and complements the one under ORS 285C.175, in that

(a) It applies only to property that is not yet placed in service before the (January-1) assessment date; and

(b) The property is thus not qualified to start the three- to five-year exemption period in the present assessment year.

(2) This exemption is largely interchangeable with the one under ORS 307.330 and 307.340 (Commercial Facilities Under Construction); common elements are that:

(a) The firm must file with the county assessor, as described in section (3) of this rule, no later than April 1 of each assessment year when the property exists in the zone/county;

(b) Any (utility) property subject to central assessment by the Department of Revenue is disallowed;

(c) Exemption is permissible for not more than two consecutive years; and

(d) The relationship to ORS 285C.175 as described in section (1) of this rule is the same in terms of the property being in service or not.

(3) The firm shall file the latest revision of the Department of Revenue form 150-310-021, Application for Construction-in-Process

150-310-021 (Rev. 10-17)

Enterprise Zone Exemption. An eligible business firm that instead files form 150-310-020, Application for Cancellation Of Assessment On Commercial Facilities Under Construction, will:

(a) Receive only the treatment allowed under ORS 307.330; but
(b) It needs to do so in any case for situations described in section (5) and (6) of this rule.

(4) The following may be exempt in the zone, but would not be under ORS 307.330:

(a) Property at a project site where there is no construction of or additions to a building or structure;

(b) Mere modifications to a building or structure;

(c) A nonmanufacturing facility with re/construction taking less than a year's time to complete and to put the facility in service;

(d) Additional property that is not yet placed in service, even though a portion or element of the project, facility or structure has been completed, consistent with OAR 123-674-5300(2); or

(e) Machinery & equipment, even if it will:

(A) Not be installed in or affixed to a building, structure or addition thereto; or

(B) Remain personal property after installation.

(5) Irrespective that property might qualify under ORS 285C.175, the following situations may not use this exemption, although exemption under ORS 307.330 is possible:

(a) Property had been exempt already at the same site in the zone under ORS 307.330 even if for only one year;

(b) The business firm is a hotel, motel or destination resort, regardless of the zone;

(c) The authorized business firm does not or will not necessarily own or lease the property;

(d) The business firm has applied but is not yet authorized, consistent with OAR 123-674-3000 by the April-1 filing deadline in this rule; or

(e) As of the January 1 assessment date:

(A) Authorization is inactive under ORS 285C.165 unless also renewed by April 1;

(B) Property is not yet located inside the boundary of the designated zone; or

(C) The zone has terminated.

(6) Pending approval of the Application, the firm may file and have property exempted as allowed under ORS 307.330, such that:

(a) After approval/authorization, the assessor may extend exemption under ORS 285C.170 to other qualified property subject to this rule; but

(b) The ongoing exemption of property may continue only under ORS 307.330.

(7) The county assessor shall not exempt property specifically under ORS 285C.170, if the assessor has a reasonable and definitive reason to believe that:

(a) The property is or will not be qualified property when placed in service;

(b) The authorized business firm will not qualify under ORS 285C.200; or

(c) Other applicable requirements under ORS 285C.175 will not be met.

(8) In the face of significant doubts about conformance with the requirements of ORS 285C.170, the assessor may depend on reasonably requested information or confirmation from the firm or zone sponsor, before determining to grant the exemption.

(9) Consistent with subsection (2)(c) of this rule, property exempted under ORS 285C.170 may not receive further exemption under ORS 307.330 beyond the cumulative two-year period.

(10) In the event that the anticipated exemption under ORS 285C.175 is unclaimed under ORS 285C.220, denied, or disqualified under ORS 285C.240, the exemption as described in this rule is not necessarily jeopardized in any way, even for such property that would not normally be exempt under ORS 307.330.

Stat. Auth.: ORS 285A.075 & 285C.060(1) Stats. Implemented: ORS 285C.165, 285C.170 & 307.330 Hist.: OBDD 27-2010, f. & cert. ef. 6-14-10