

PRESIDENT'S MESSAGE

By Mark Passannante
RHAGP President



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I hope every one has gotten used to a new decade. With the entry of the new year we also have some significant changes to Oregon's landlord tenant laws. For those members who were unable to attend our latest classes or dinner meeting addressing the changes, I wanted to outline a couple of the significant changes in this month's newsletter. Remember, though, that this is not a substitute for renewing your training and RHAGP will continue to offer comprehensive classes on the new legislative changes.

Beginning this year, tenants who have occupied the dwelling for greater than one year are now entitled to a sixty day notice of termination if the termination is done without a stated cause. The sixty day notice is required if all of the tenants have been in the dwelling unit for over one year. If a tenant has been in the dwelling unit for less than a year, a landlord may terminate a month-to-month tenancy with

a 30 day notice without a stated cause. The service rules for notices of termination remain unchanged.

Another provision getting significant attention is the elimination of most non-refundable fees. A landlord may not charge an up-front non-refundable fee at the beginning of the tenancy. The fees a landlord may charge are limited to a list of approved fees as follows:

- a. Late rent
- b. Dishonored check, limited to amount in ORS 30.701, plus any amount charged to the landlord by the landlord's bank
- c. Smoke detector tampering or removal
- d. Violation of pet agreement in a mobile home park
- e. Break lease fee not to exceed 1.5 months rent and landlord may not charge tenant rent after the lease break nor damages related to the cost of re-renting the dwelling

- f. Noncompliance with written rules or policies not to exceed \$50.00 and only for the following noncompliance:
 - i. Late payment of utility or service charge;
 - ii. Failure to clean up pet waste from a part of the premises other than the dwelling unit;
 - iii. Failure to clean up garbage, rubbish and other waste from a part of the premises other than the dwelling unit;
 - iv. Parking violations;
 - v. Improper use of vehicles within the premises

I hope this helps outline some of the changes so that everyone can hit the new year running

RHAGP DUES AND TAXES

Your membership dues may be tax deductible as a necessary trade or business expense. A portion of your dues each year are paid to the state association (Oregon Rental Housing Association) on your behalf for membership in the state association.

As 501(c)(6) corporations, both the state and local associations are allowed to lobby to influence legislation (but not candidates). However, lobbying expenses are not deductible for income tax purposes. The tax code requires us either to pay taxes on the income spent on lobbying or to tell our members that a portion of their dues and contributions paid to us are not tax deductible as a trade or business expense. We of course choose to do the latter.

We have sent a statement to each

paid member indicating the portion of their dues for the year that were related to lobbying activities. This will be the portion that cannot be deducted on your tax returns. If you have not received a letter with the following information and paid dues in 2009 as either a new member or for membership renewal please contact the RHAGP office at 503-254-4723.

RE: 2009 Non-Deductible Dues:

Rental Housing Association of Greater Portland is a 501(c)(6) corporation. As such, we are allowed to lobby to influence legislation (but not candidates). A portion of your annual dues are utilized for lobbying activities on behalf of our members. In addition, a portion of your dues include annual dues for the Oregon Rental

Housing Association. The state association also utilizes a portion of their dues for lobbying activities on behalf of their members.

Your membership dues payments may be tax deductible as a necessary trade or business expense. The portion of your dues utilized for lobbying activities is not deductible.

FOR ___ UNITS THE NON-DEDUCTIBLE DUES PORTION OF YOUR DUES IS \$_____

The example shown above represents the portion of your 2009 dues utilized for lobbying activities at both the state and local level.

Please consult with your tax advisor regarding the proper treatment of your dues for income tax purposes.