

2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 653

STATUS: A-Engrossed

SUBJECT: Providing property tax exemption to an exempt entity leasing or subleasing property from a taxable owner

GOVERNMENT UNIT AFFECTED: County Tax and Assessment Programs

PREPARED BY: Adrienne Sexton

REVIEWED BY: Dallas Weyand

DATE: June 6, 2007

EXPENDITURES:
See Comments.

2007-2009

2009-2011

EFFECTIVE DATE: January 1, 2008

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The measure would provide a real or personal property tax exemption to an exempt entity, if the property is subleased from a taxable owner. Sub-lessees that qualify for the exemption would need to file a claim in writing with the county assessor by December 31, 2008. The Legislative Fiscal Office (LFO) is not able to determine the quantifiable fiscal impact on thirty-six counties' taxation and assessment programs to process new claims, and identify subject property and incorporate information into county systems, but LFO assumes there would be some workload created by the measure at the same time a county's revenue stream is potentially reduced. LFO also notes that other measures are pending before this Legislative Assembly that would affect personal or property tax exemptions, and the cumulative impact of multiple enactments cannot be determined at this time.