

REVENUE: Revenue Statement Issued

FISCAL: No Fiscal Impact

Action: Do pass and be placed on the consent calendar
Vote: 8-0-0
Yeas: Berger, Bruun, Butler, Olson, Read, Rosenbaum, Witt Barnhart
Nays:
Exc.: Gelser
Prepared By: Mary Ayala, Economist
Meeting Dates: 1/31, 2/23

WHAT THE BILL DOES: The intent of this measure is to reduce the interest that is paid on a property tax refund to an amount equal to the portion of the refund that is not attributable to inaccurate reports, statements or written information provided by the taxpayer.

Takes effect 91 days after sine die.

ISSUES DISCUSSED: The Department of Revenue explained that the HB 2229 will remove the incentive to over-report assets and creates an incentive to appeal their value.

EFFECT OF COMMITTEE AMENDMENTS: N/A

BACKGROUND: Current law ORS 311.812 (1) states that interest shall not be paid on property tax refunds except in certain cases listed in ORS 311.812 (2). Typically, these cases pertain to appeals that are made by utilities, or owners of commercial property or industrial property who must file reports annually with either the county assessors or the Department of Revenue. When these reports are inaccurate, it may result in a refund, or enlarge a refund, upon which interest must be calculated.

Effective date is 91 days after sine die