

74<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session  
STAFF MEASURE SUMMARY  
SENATE FINANCE & REVENUE COMMITTEE

MEASURE: SB 514-A  
CARRIER: Sen. Schrader

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

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Action: Do pass with amendments and be printed engrossed

Vote: 5-0-0

Yeas: Burdick, G. George, Monroe, Starr, Deckert

Nays:

Exc.:

Prepared By: Mary Ayala, Economist

Meeting Dates: 5/2

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**WHAT THE BILL DOES:** Establishes a property tax special assessment program for land subject to conservation easements. Allows land currently subject to farm use or forest use special assessment to be transferred to a conservation special assessment without paying additional tax. Permits owner or other qualified person to withdraw application within 30 days of applying for a change in classification from conservation easement or a wildlife habitat easement. Requires a \$250 application fee for the conservation easement special assessment; and the fees are credited to the county's general fund in which the specially assessed property is located. Takes effect upon becoming law.

**ISSUES DISCUSSED:**

- That tax consequences that prevents some owners of specially assessed farm and forest lands from donating or selling property rights that will enhance conservation.
- The uses of the conservation easements.

**EFFECT OF COMMITTEE AMENDMENTS:** Corrects an error in order to refer to the appropriate Section 4 (3) that lists the documents the assessor must review in order to approve an application for the special assessment.

**BACKGROUND:** Under current law, farm and forestlands are subject to special assessment. If owners of these lands donate or sell some of their property rights to conserve their lands, through a conservation easement, they will be subject to paying property taxes on the portion of the property that is no longer used for commercial purposes. The taxes owed may also include taxes in arrears.

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*This summary has not been adopted or officially endorsed by action of the committee.*