

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
75th Oregon Legislative Assembly  
2009 Regular Session  
Legislative Revenue Office

**Bill Number:** SB 192 A  
**Revenue Area:** Property Tax  
**Economist:** Dae Baek  
**Date:** June 1, 2009

**Measure Description:** Makes changes in the historic property special assessment program. Establishes the initial 10-year period of partial tax exemption, an application fee, certification procedures, and reporting requirements. Establishes methods of benefit calculation. Lists conditions for the initial term disqualification from the program. Defines condominium in the context of the program and establishes conditions for qualification and disqualification. Authorizes certification for the second 10-year period of partial tax exemption. Permits applications for a participation in the program through June 30, 2020.

**Revenue Impact\* (in \$Millions):**

	Fiscal Year		Biennium		
	2009-10	2010-11	2009-11	2011-2013	2013-2015
Local Government	\$0.0	-\$0.4	-\$0.4	-\$2.5	-\$4.9
Local School Districts	\$0.0	-\$0.3	-\$0.3	-\$1.8	-\$3.5

\*This impact is not the expected tax expenditure for the program. See Impact Explanation.

**Impact Explanation:** The Oregon Department of Parks and Recreation reports that new projects in the historic property special assessment program have averaged 40 projects per year. With the extension of the sunset in this bill, applications for historic property special assessment are expected to continue at that pace, although current tough economic conditions make it virtually impossible to predict if that will be the case. The tax expenditure for historic property special assessment is expected to be about \$11-12 million per fiscal year.

2009-11 Tax Expenditure Report has the expected tax expenditure of \$19.8 million for FY 2009-11 based on the assumption that no more applications for the program are allowed after the sunset on June 30, 2010. The extension of the sunset then marginally increases the tax expenditure for FY 2009-11. In out fiscal years, potential property tax loss increases because the sunset would have put more properties on the full tax roll as additional properties graduate out of the program and there will be no new qualifications.

**Creates, Extends, or Expands Tax Expenditure:** Yes  No

Permits applications for a participation in the historic property special assessment program though June 30, 2020, extending the current sunset date on June 30, 2010.