

**75TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

**MEASURE: HB 2214
CARRIER:**

REVENUE: Yes - Revenue Impact issued

FISCAL: Yes - Fiscal Impact issued

Action: Without Recommendation as to Passage and be Referred to Ways and Means.

Vote: 9-0-1

Yeas: Bailey, Bentz, Berger, Bruun, Gelser, Read, Riley, Sprenger, Barnhart

Nays: 0

Exc.: Kahl

Prepared By: Steve Meyer, Economist

Meeting Dates: 4/9, 4/27

WHAT THE BILL DOES: Extends the forest products harvest tax for forest research and administering the Oregon Forest Practices Act to calendar years 2010 and 2011. Changes the rate from 92 cents to ___ per thousand board feet of merchantable timber harvested for the Forest Research Laboratory at OSU and from \$1.1456 to \$_____ per thousand board feet for administration of the Oregon Forest Practices Act. First applies to forest products harvested on and after January 1, 2010.

ISSUES DISCUSSED:

Tax rates being determined in conjunction with budgets

Factors affecting rate

Share of revenue from tax and from General Fund

Economic conditions in the forestry industry

EFFECT OF COMMITTEE AMENDMENTS:

None

BACKGROUND:

The forest products harvest tax rates per thousand board feet of harvested timber are typically set for one biennium. The Legislature determines new rates for the next biennium based on projected timber harvests, the budgets set for the Forest Research Laboratory and the administration of the Oregon Forest Practices Act and ending balances. The taxes are collected by the Department of Revenue and transferred to the Department of Forestry and Department of Higher Education on a quarterly basis.

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