

75TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
SENATE FINANCE AND REVENUE COMMITTEE

MEASURE: HB 2475
CARRIER: Sen. Rosenbaum

REVENUE: Revenue Impact Issued

FISCAL: No Fiscal Impact

Action: Do Pass

Vote: 5-0-0

Yeas: Hass, Morse, Rosenbaum, Telfer, Burdick

Nays: 0

Exc.: 0

Prepared By: Dae Baek, Economist

Meeting Dates: 5/26

WHAT THE BILL DOES: Extends cargo container property tax exemption to June 30, 2014.

ISSUES DISCUSSED:

- Purpose of property tax exemption
- Property tax exemption for cargo containers in neighboring states

EFFECT OF COMMITTEE AMENDMENTS: None

BACKGROUND: Cargo containers as defined in ORS 307.835 are exempt from property tax. Qualified cargo containers are those principally used for the transportation of cargo by vessels in trade and ocean commerce.

The exemption for these cargo containers has been in place since 1979. Current exemption sunsets on June 30, 2010.

Exemption applies to containers owned by both domestic and foreign companies. Cargo container property tax exemptions are also granted in Washington and California.

According to 2009-11 Tax Expenditure Report by Oregon Department of Administrative Services and Department of Revenue, expected tax expenditure is \$300,000 for the FY 2009-10.