

SENATE AMENDMENTS TO HOUSE BILL 2107

By COMMITTEE ON FINANCE AND REVENUE

June 1

1 On page 1 of the printed bill, line 3, after “287A.360,” insert “294.381, 328.565,”.

2 On page 7, after line 25, insert:

3 “**SECTION 16.** ORS 294.381 is amended to read:

4 “294.381. (1) Each municipal corporation that has the power to levy an ad valorem property tax
5 shall estimate, in the manner provided in this section, the amount of revenues that will be received
6 in the ensuing year or ensuing budget period through the imposition of taxes upon the taxable
7 property within the municipal corporation.

8 “(2) Subject to the additional adjustments required under subsection [(3)] (4) of this section, the
9 estimated ad valorem taxes that will be received in the ensuing year or ensuing budget period shall
10 not exceed the following:

11 “(a) The amount derived by multiplying the estimated assessed value for the ensuing year or
12 each fiscal year of the ensuing budget period of the taxable property within the municipal corpo-
13 ration, after boundary changes have been filed in final approved form with the county assessor and
14 the Department of Revenue as provided in ORS 308.225, by whichever of the following is applicable
15 to the municipal corporation:

16 “(A) The municipal corporation’s permanent rate limit on operating taxes, as defined in ORS
17 310.202 (7); or

18 “(B) The municipal corporation’s statutory rate limit on operating taxes, as defined in ORS
19 310.202 (10).

20 “(b) If the municipal corporation is authorized to levy a local option tax that was authorized
21 by the electors as a dollar amount, the dollar amount of such local option tax that is authorized to
22 be levied in the ensuing year or ensuing budget period.

23 “(c) If the municipal corporation is authorized to levy a local option tax that was authorized by
24 the electors as a tax rate, the amount derived by multiplying the authorized rate of such local option
25 tax for the ensuing year or ensuing budget period by the estimated assessed value for the ensuing
26 year or each fiscal year of the ensuing budget period of the taxable property within the municipal
27 corporation.

28 “(d) **Subject to subsection (3) of this section**, the municipal corporation’s estimate of the
29 amount required to pay the principal and interest on bonded indebtedness that is not subject to
30 limitation under section 11 (11) or section 11b, Article XI of the Oregon Constitution. [*The estimate*
31 *may include an amount equal to the total of any such payments that are due and payable in the fiscal*
32 *period following the fiscal period for which the budget is being prepared and before a sufficient amount*
33 *of property taxes to pay that bonded indebtedness are collected in that fiscal period, pursuant to ORS*
34 *294.371. The estimate may also include amounts to reimburse the municipal corporation for the payment*
35 *of principal and interest on exempt bonded indebtedness that the municipal corporation made from*

1 other moneys because collections of taxes levied for exempt bonded indebtedness were not sufficient to
2 pay that exempt bonded indebtedness.]

3 “(e) The municipal corporation’s estimate of the amount required to repay taxing district bond
4 obligations or pension and disability plan obligations described in section 11 (5), Article XI of the
5 Oregon Constitution.

6 “(3)(a) The estimate described in subsection (2)(d) of this section may include:

7 “(A) An amount equal to the total of the payments on the principal and interest on
8 bonded indebtedness that are due and payable in the fiscal period following the fiscal period
9 for which the budget is being prepared and before a sufficient amount of property taxes to
10 pay the bonded indebtedness are collected in that fiscal period, pursuant to ORS 294.371.

11 “(B) Amounts to reimburse the municipal corporation for the payment of principal and
12 interest on exempt bonded indebtedness that the municipal corporation made from other
13 moneys because collections of taxes levied for exempt bonded indebtedness were not suffi-
14 cient to pay the exempt bonded indebtedness.

15 “(b) If the bonded indebtedness is a tax credit bond or other bond that bears interest that
16 is includable in gross income under the Internal Revenue Code, as amended and in effect on
17 the effective date of this 2009 Act, the payments described in paragraph (a) of this subsection
18 may include deposits that the municipal corporation has agreed to make in a sinking fund
19 that is dedicated to pay the bonded indebtedness.

20 “[3] (4) The amounts determined under subsection (2)(a), (b) and (c) of this section shall be
21 reduced by an amount equal to the estimated amount of such taxes that will not be collected as a
22 result of:

23 “(a) The discounts allowed under ORS 311.505;

24 “(b) The limits imposed under ORS 310.150 (3); and

25 “(c) The failure of taxpayers to pay such taxes in the year for which they are levied.

26 “[4(a)] (5)(a) The estimated ad valorem taxes determined in accordance with subsection (2)(a),
27 (b) and (c) of this section, prior to adjustment by subsection [3] (4) of this section, shall be used
28 by the municipal corporation for purposes of complying with the requirements of ORS 310.060 (1).

29 “(b) The amounts determined under subsection (2)(d) and (e) of this section shall, for purposes
30 of complying with the requirements of ORS 310.060 (1), be increased by an amount equal to the es-
31 timated amount of taxes that will not be collected as a result of:

32 “(A) The discounts allowed under ORS 311.505;

33 “(B) The limits imposed under ORS 310.150 (3); or

34 “(C) The failure of taxpayers to pay taxes in the year for which they are levied.

35 “**SECTION 17.** ORS 328.565 is amended to read:

36 “328.565. (1) As used in this section, ‘qualified zone academy bond’ has the meaning given the
37 term in section 1397E of the Internal Revenue Code, as amended and in effect on January 1, 2002.

38 “(2) A district school board may contract indebtedness as provided under ORS 287A.180.

39 “(3) A district school board may issue qualified zone academy bonds or similar tax credit bonds
40 authorized by resolution of the district school board. Unless the bond issue has been approved by
41 electors under ORS 328.205 to 328.304, the district school board must issue [*the bonds as revenue*
42 *bonds under ORS 287A.150*] **revenue bonds as defined in ORS 287A.001.**”.

43 In line 26, delete “16” and insert “18”.

44 In line 27, after “287A.360,” insert “294.381, 328.565.”.

45 In line 28, delete “15” and insert “17”.

1 In line 30, delete "17" and insert "19".

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