

House Bill 2161

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Presession filed (at the request of Governor Theodore R. Kulongoski for Department of Revenue)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Permits appeal from notice of intent to impose delinquency penalty within 20 days from mailing of notice. Changes lien date for taxes levied on mutual and cooperative electric distribution systems to March 1 of each year. Removes archaic or obsolete language in statutes that govern central assessment of certain property for property tax purposes.

Applies to tax years beginning on or after July 1, 2010.

A BILL FOR AN ACT

1
2 Relating to central assessment for property tax purposes; creating new provisions; and amending
3 ORS 308.030, 308.505, 308.510, 308.515, 308.525, 308.560, 308.565, 308.570, 308.575, 308.615, 308.621,
4 308.640, 308.645 and 308.820.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1. (1) The Legislative Assembly finds that the central assessment by the De-**
7 **partment of Revenue of utility property, transportation company property, similar business**
8 **property that has inherent value due to the capacity of the property to be operated as a**
9 **network over a large geographic area and other property that is appropriate for central as-**
10 **essment is a fair, equitable and efficient way to determine value for property tax purposes**
11 **and to apportion that value among local taxing districts.**

12 **(2) The Legislative Assembly further finds that central assessment of these types of**
13 **property has occurred for more than 80 years and that the central assessment system con-**
14 **tinues to operate in a fair, equitable and efficient way, but that the statutory law upon which**
15 **the central assessment system is based contains obsolete or confusing language, references**
16 **to antiquated technologies and disorganized structure.**

17 **(3) The Legislative Assembly declares that the purpose of the amendments to statutes**
18 **by sections 2 to 15 of this 2009 Act is to modernize and clarify the central assessment stat-**
19 **utory law, while continuing the central assessment system as it currently operates.**

20 **(4) The Legislative Assembly further declares that the amendments to statutes by**
21 **sections 2 to 15 of this 2009 Act do not constitute a change in the policies of the State of**
22 **Oregon with respect to the central assessment system and the administration of the central**
23 **assessment system by the Department of Revenue.**

24 **SECTION 2. ORS 308.030 is amended to read:**

25 308.030. (1) Each person, company, corporation or association required by ORS 308.505 to
26 308.665 or 308.805 to 308.820 to file a statement with the Department of Revenue, who or which has
27 not filed a statement within the time fixed for filing a statement or as extended, is delinquent.

28 (2) A delinquent taxpayer is subject to a penalty of \$10 for each \$1,000 (or fraction thereof) of
29 assessed value of the property as placed on the assessment roll of the department for the year of

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 delinquency; except that for a delinquent taxpayer required to file a statement under ORS 308.805
 2 to 308.820, the penalty shall be based upon the assessed value of such property of the taxpayer as
 3 would have been placed upon the assessment roll of the department if such property were subject
 4 to ad valorem taxation. The penalty may not be less than \$10 or more than \$5,000.

5 (3) The department shall send any delinquent taxpayer against whom a penalty is imposed under
 6 this section a notice of its intention to impose the penalty, by mailing a notice to the taxpayer at
 7 the last-known address shown on the records of the department. The notice shall contain the amount
 8 of the penalty and the basis for its imposition.

9 (4)(a) *[If a delinquency penalty is imposed under this section, the director of the Department of*
 10 *Revenue, upon application filed by the taxpayer with the department during the period in which the*
 11 *director reviews the assessment roll of the department for the year of delinquency, may establish by rule*
 12 *instances in which the department may waive or reduce the penalty. A determination to waive or re-*
 13 *duce a penalty shall be final, and no appeal may be taken from the determination.]* **If a delinquency**
 14 **penalty is imposed under this section, the taxpayer may file an application with the depart-**
 15 **ment to waive or reduce the penalty. An application under this paragraph must be filed with**
 16 **the department within 20 days from the mailing of the notice of intention to impose a de-**
 17 **linquency penalty. The Director of the Department of Revenue may establish by rule in-**
 18 **stances in which the department may waive or reduce the penalty. A determination to waive**
 19 **or reduce a penalty is final, and no appeal may be taken from the determination.**

20 (b) Rules adopted under this subsection shall be based on the department's finding that:

21 (A) Good and sufficient cause exists for the actions of the taxpayer that resulted in the imposi-
 22 tion of a penalty;

23 (B) The actions of the taxpayer that resulted in the imposition of a penalty constitute a first-
 24 time offense on the part of the taxpayer; or

25 (C) The action of the department to waive or reduce the penalty enhances the long-term effec-
 26 tiveness or efficiency of the voluntary tax compliance system.

27 (5) Upon completion of the review of the assessment roll of the department by the director, the
 28 department shall note on the assessment roll the name of each delinquent taxpayer, if not otherwise
 29 on the roll, and after the name the dollar amount of the penalty imposed under this section that
 30 was not waived or reduced by the director under subsection (4) of this section. The amount of pen-
 31 alty *[shall constitute]* **constitutes** a lien as of July 1 of the year of imposition on all real and per-
 32 sonal property of the delinquent taxpayer in the state.

33 (6) Any penalty collected under this section shall be deposited in the unsegregated tax col-
 34 lections account of the counties in which the property of the taxpayer is located.

35 **SECTION 3.** ORS 308.505 is amended to read:

36 308.505. As used in ORS 308.505 to 308.665:

37 (1) "Car" *[includes any]* or "**railcar**" means a vehicle adapted to the rails of a railroad.

38 (2) "**Centrally assessed**" means the assessment of property by the Department of Re-
 39 **venue under ORS 308.505 to 308.665.**

40 *[(2)]* (3) "Communication" includes telephone communication*[, telegraph communication]* and data
 41 transmission services by whatever means provided.

42 (4) "**Inland water**" means all water or waters within the State of Oregon, all interstate
 43 **rivers touching Oregon and all tidewaters extending to the ocean bars.**

44 (5) "**Interstate**" means transit between the State of Oregon and:

45 (a) **Another state;**

1 (b) A district, territory or possession of the United States; or

2 (c) A foreign country.

3 (6) “Large private railcar company” means a private railcar company with personal
4 property with a real market value for the tax year that exceeds \$1 million.

5 (7) “Locally assessed” means the assessment of property for property tax purposes by the
6 county assessor that is not conducted under ORS 308.505 to 308.665.

7 [(3)] (8) “Person,” “company,” “corporation” or “association” [includes] means any person,
8 group of persons, whether organized or unorganized, firm, joint stock company, association, cooper-
9 ative or mutual organization, people’s utility district, joint operating agency as defined in ORS
10 262.005, syndicate, [copartnership] entity formed to partner or combine public and private in-
11 terests, partnership or corporation engaged in performing or maintaining any business or service
12 or in selling any commodity as [enumerated] set forth in ORS 308.515, whether or not [such] the
13 activity is pursuant to any franchise and whether or not the person or other entity or combi-
14 nation of entities possesses characteristics of limited or unlimited liability.

15 (9) “Property”:

16 (a) Means all property of any kind, whether real, personal, tangible or intangible, that is
17 used or held by a company as owner, occupant, lessee or otherwise, for the performance or
18 maintenance of a business or service or for the sale of a commodity, as described in ORS
19 308.515;

20 (b) Includes, but is not limited to, the lands and buildings, rights of way, roadbed, water
21 powers, vehicles, cars, rolling stock, tracks, office furniture, telephone and transmission
22 lines, poles, wires, conduits, switchboards, machinery, appliances, appurtenances, docks,
23 watercraft irrespective of the place of registry or enrollment, merchandise, inventories,
24 tools, equipment, machinery, franchises and special franchises, work in progress and all
25 other goods or chattels; and

26 (c) Does not include items of intangible property that represent:

27 (A) Claims on other property, including money at interest, bonds, notes, claims, demands
28 or any other evidence of indebtedness, secured or unsecured; or

29 (B) Any shares of stock in corporations, joint stock companies or associations.

30 [(4)] (10) “Property having situs in this state” [includes] means all property, real and personal,
31 of a company, owned, leased, used, operated or occupied by it and situated wholly within [the] this
32 state, and, as determined under ORS 308.550[, 308.555] and 308.640, [such] the proportion of the
33 movable, transitory or migratory personal property owned, leased, used, operated or occupied by
34 [such] a company, including but not limited to watercraft, aircraft, rolling stock, vehicles [and
35 cars,] and construction equipment, as is used partly within and partly [without the] outside of this
36 state.

37 (11) “Small private railcar company” means a private railcar company with personal
38 property with a real market value for the tax year that does not exceed \$1 million.

39 [(5)] (12) “Transportation” [includes the] means carrying, conveying or moving [of passengers,
40 commodities, freight, mail, rolling stock, cars, vehicles, equipment or any other] passengers or prop-
41 erty from one place to another.

42 (13) “Unit” means all assets that are owned or used by a company assessed under ORS
43 308.505 to 308.665, and that are needed or used by the company in a business, a service or the
44 sale of a commodity described in ORS 308.515 and that constitute an integrated group of as-
45 sets functioning as a single, ongoing economic enterprise.

1 (14) “Use” or “used” means:

2 (a) Leasing, renting or chartering property;

3 (b) Having a right to a possessory interest in property;

4 (c) Having a right to exercise control over property; or

5 (d) Otherwise operating property in a trade or business or in another coordinated way in
6 order to achieve a profit through the operation of the property.

7 [(6)] (15) “Vehicle” means any wheeled or tracked device used in transportation under, on or in
8 connection with the physical surface of the earth.

9 **SECTION 4.** ORS 308.510 is amended to read:

10 308.510. [(1) “Property,” as used in ORS 308.505 to 308.665, includes all property, real and per-
11 sonal, tangible and intangible, used or held by a company as owner, occupant, lessee or otherwise, for
12 or in use in the performance or maintenance of a business or service or in a sale of any commodity,
13 as set forth in ORS 308.515, whether or not such activity is pursuant to any franchise, and includes
14 but is not limited to the lands and buildings, rights of way, roadbed, water powers, vehicles, cars,
15 rolling stock, tracks, wagons, horses, office furniture, telegraph, telephone and transmission lines, poles,
16 wires, conduits, switchboards, machinery, appliances, appurtenances, docks, watercraft irrespective of
17 the place of registry or enrollment, merchandise, inventories, tools, equipment, machinery, franchises
18 and special franchises, work in progress and all other goods or chattels. “Property” does not include
19 items of intangible property that represent claims on other property including money at interest, bonds,
20 notes, claims, demands and all other evidences of indebtedness, secured or unsecured, including notes,
21 bonds or certificates secured by mortgages, and all shares of stock in corporations, joint stock compa-
22 nies or associations.] **For purposes of assessing property under ORS 308.505 to 308.665:**

23 [(2)] (1) All land of any railroad, logging road, electric rail [*or trackless transportation*
24 *company,*] or railroad switching and terminal company, including land used or held and claimed ex-
25 clusively as right of way, with all the tracks and substructures and superstructures that support the
26 [*same*] **right of way**, together with all [*sidetracks, second tracks, turnouts, station houses, depots,*
27 *roundhouses, engine houses, machine shops,*] buildings or other structures **or improvements**, without
28 separating [*same into lands*] **the land** and improvements, is real property. **Vehicles and any** [*and*
29 *the rolling stock and all*] other property is personal property.

30 [(3)] (2) [*Without especially defining and enumerating the treatment, the Department of Revenue*
31 *shall treat*] All land of any company [*as*] **is** real property[, *and*]. Except as provided in subsection
32 [(2)] (1) of this section, all [*docks, hangars, landing fields, exchanges, office buildings, bridges, power*
33 *plants, dams, reservoirs, substations, relay stations, telegraph, telephone or transmission and distrib-*
34 *ution lines located upon property owned by the company, and all other*] buildings, structures, im-
35 provements **of any kind** or fixtures of a permanent character [*thereon, as*] **of any kind that are**
36 **located on land that is owned or used by a company is** real property[, *and*]. All other property
37 [*as*] **owned or used by a company is** personal property.

38 [(4)(a)] (3)(a) Except as provided in ORS 308.517 (2) and [*in*] paragraphs (b) and (c) of this sub-
39 section, the renting, leasing, chartering or otherwise assigning of property exclusively for the use
40 or benefit of another [*shall*] **does** not constitute a use by the lessor.

41 (b) A lessor shall be deemed the user of property rented, leased or otherwise furnished by [*it to*
42 *its employee*] **the lessor to the employees of the lessor** as an incident of employment.

43 (c) A rail transportation company shall be deemed the user of property [*situated*] **located** within
44 [*its*] **the rail transportation company’s** station ground reservations or rights of way,
45 notwithstanding [*the fact that such*] **that the** property may be leased, rented or otherwise assigned

1 by *[it]* **the rail transportation company** for the use or benefit of another.

2 [(5)] (4) Property found by the Department of Revenue to have an integrated use for or in more
 3 than one business, service or sale, where at least one such business, service or sale is one enumer-
 4 ated in ORS 308.515, shall be classified by the department as being within or without the definition
 5 of property under *[subsection (1) of this section]* **ORS 308.505**, according to the primary use of such
 6 property, as determined by the department.

7 [(6)] (5) For purposes of determining the maximum assessed value of property under section 11,
 8 Article XI of the Oregon Constitution, “property” means all property assessed to each company that
 9 is subject to assessment under ORS 308.505 to 308.665.

10 **SECTION 5.** ORS 308.515 is amended to read:

11 308.515. (1) The Department of Revenue shall make an annual assessment of any property that
 12 has a situs in this state and that, except as provided in subsection (3) of this section, is used or held
 13 for future use by any company in performing or maintaining any of the following businesses or ser-
 14 vices or in selling any of the following commodities, whether in domestic or interstate commerce
 15 or *[both]* **in any combination of domestic and interstate commerce**, and whether mutually[,] or
 16 for hire, sale or consumption by other persons:

- 17 (a) Railroad transportation;
- 18 (b) Railroad switching and terminal;
- 19 (c) Electric rail *[and trackless trolley]* transportation;
- 20 (d) Private railcar transportation;
- 21 (e) Air transportation;
- 22 (f) Water transportation upon inland water of the State of Oregon;
- 23 (g) Air or railway express;
- 24 (h) Communication;
- 25 (i) Heating;
- 26 (j) Gas;
- 27 (k) Electricity;
- 28 (L) Pipeline;
- 29 (m) Toll bridge; or
- 30 (n) Private railcars of all companies not otherwise listed in this subsection, if the private
 31 railcars are rented, leased or used in railroad transportation for hire.

32 (2) The assessment described in subsection (1) of this section shall be made on an assessment
 33 roll that is prepared by the division of the department charged with property tax administration.

34 (3) There may not be assessed under subsection (1) of this section:

35 (a) Any property used by or for water transportation companies whose watercraft ply exclu-
 36 sively on the high seas, or between the high seas and inland water ports or terminals, or any com-
 37 bination thereof.

38 (b) Any property used by or for water transportation companies exclusively for hire by other
 39 persons for boating and rafting, dredging, log or marine salvage, ship berthing, maintenance, sludge
 40 removal, cleaning or repair, marine or water-based construction, or guide service.

41 (c) Any property used by or for interstate ferries or by or for water transportation companies
 42 as ferries operating directly across interstate rivers.

43 (d) Any property of the National Railroad Passenger Corporation *[as long as federal law pro-*
 44 *hibits the National Railroad Passenger Corporation from paying property taxes]*.

45 (e) Any aircraft that is required to be registered under ORS 837.040 for all or any part of the

1 calendar year[,] and that is not used to provide scheduled passenger service.

2 [(4) For the purposes of this section, ORS 308.256 and 308.550, “inland water” means all water or
3 waters within the State of Oregon, all interstate rivers touching Oregon and all tidewaters extending
4 to the ocean bars.]

5 [(5)] (4) Any corporation included within subsection (1) of this section, to the extent that it ac-
6 tively engages in any business or service not described therein or not incidental to any business or
7 service or sale of a commodity described therein, may not to that extent be deemed a corporation
8 whose properties are assessed under ORS 308.505 to 308.665.

9 [(6)] (5) [Any company,] **A company is not a company described in subsection (1) of this**
10 **section** to the extent that [it] **the company** furnishes undiluted liquefied or industrial gas in bottles,
11 tanks or similar containers[, whether or not through pipe in a gaseous form, is not a gas company
12 under subsection (1) of this section].

13 [(7)] (6) A company is not an electric company under subsection (1) of this section if:

14 (a) The company generates electricity primarily for the company’s own use, but makes incidental
15 sales of the company’s surplus electricity; or

16 (b)(A) The company’s generating facility is primarily fueled by wood waste or other biomass fuel;

17 (B) The generating facility has a maximum capacity of 20 megawatts; and

18 (C) The company, if selling the generated electricity, does so only directly to an electric utility
19 for the utility’s distribution to utility customers.

20 [(8)] (7) [ORS 308.505 to 308.665 shall be construed to subject] **The department shall assess**
21 property owned, leased or occupied by a legal entity not yet engaged in a business, service or sale
22 of a commodity that is described in **subsection (1) of this section**[, to assessment by the
23 department,] if the property is intended for operation or use in the business, service or sale of [a]
24 **the** commodity.

25 [(9)] (8) As used in this section, “electric utility” has the meaning given that term in ORS
26 758.505.

27 **SECTION 6.** ORS 308.525 is amended to read:

28 308.525. Each statement required by ORS 308.520 shall contain the following facts about the
29 company:

30 (1) The name of the company, the nature of the business conducted by the company and the state
31 or country under whose laws the company is organized.

32 (2) The location of the company’s principal office [and the name and post-office address of its
33 president, secretary, auditor, treasurer, superintendent and general manager].

34 (3) The name and [post-office] address of the chief officer or managing agent or attorney in fact
35 in Oregon.

36 (4) The number of shares of its capital stock authorized and issued.

37 (5) The par value and market value, or actual value if there is no market value, of each issued
38 share of stock on January 1 at 1:00 a.m. of the year in which the report is made.

39 (6) The bonds and other corporate obligations owing by the company.

40 (7) The par value and market value, or actual value if there is no market value, of the bonds
41 or other obligations owing by the company on January 1 at 1:00 a.m. of the year in which the report
42 is made.

43 (8) A detailed statement of the real property owned by the company in Oregon on January 1 at
44 1:00 a.m. of the year in which the report is made, where situated, and the cost thereof.

45 (9) A detailed statement of the personal property owned by the company in Oregon on January

1 1 at 1:00 a.m. of the year in which the report is made, where situated, and the cost thereof.

2 (10) A statement showing the **historical or original** cost of all of the real property owned by
 3 the company as of January 1 at 1:00 a.m. of the year in which the report is made, whether situated
 4 within or without the state.

5 (11) A statement showing the **historical or original** cost of all of the personal property of the
 6 company as of January 1 at 1:00 a.m. of the year in which the report is made, whether situated
 7 within or without the state.

8 (12) A full and complete statement of the **historical or original** cost and book value of all
 9 buildings of every description owned by the company within the state.

10 (13) The total length of the company's lines or operational routes, the length of its lines or op-
 11 erational routes within the State of Oregon, and also the length of its lines or operational routes
 12 without the State of Oregon, including those which the company controls or uses as owner, lessee
 13 or otherwise.

14 (14) A statement of the number of wire, pipe, pole or operational miles, and miles of main and
 15 branch railroad lines, double track, spurs, yard tracks and sidetracks, owned or leased by the com-
 16 pany in each county in this state, and each municipal subdivision thereof, stated separately.

17 (15) A statement in detail of the entire gross receipts and net earnings of the company from all
 18 sources, stated separately, for the fiscal year next preceding the date of the report.

19 (16) Any other facts or information the Department of Revenue requires in the form of return
 20 prescribed by it.

21 **SECTION 7.** ORS 308.560 is amended to read:

22 308.560. (1) The assessment roll for the companies assessed under ORS 308.505 to 308.665 shall
 23 be prepared in a manner prescribed by the Department of Revenue.

24 *[(2) Upon the assessment roll shall be placed, after the name of each of the companies assessed*
 25 *under ORS 308.505 to 308.665, a general description of the properties assessed in the name of each such*
 26 *company as provided in ORS 308.517, which descriptions shall be deemed to include all the properties*
 27 *of the companies liable to assessment for taxation under ORS 308.505 to 308.665. The description may*
 28 *be in the language contained in ORS 308.510, or otherwise, or may refer to an order or a memorandum*
 29 *of the Department of Revenue containing such description, which order or memorandum shall constitute*
 30 *a public record.]*

31 *[(3) No assessment shall be invalidated by a mistake in the name of the company assessed or by*
 32 *an omission of the name of the owner, or the entry of a name other than that of the true owner, if the*
 33 *property is generally correctly described. If the name of the true owner, or the name of the owner of*
 34 *record, lessee, or user of any property assessable under ORS 308.505 to 308.665 is given, the assessment*
 35 *shall not be held invalid on account of any error or irregularity in the description, if the description*
 36 *would be sufficient in a deed or conveyance from the owner, or on account of which in a contract to*
 37 *convey, a court with jurisdiction to grant equitable remedies would require a conveyance to be made,*
 38 *reading the description in connection with the definition of property assessable under ORS 308.505 to*
 39 *308.665.]*

40 *[(4) Whenever possible, there shall be placed on the assessment roll, under the name of the com-*
 41 *pany, under an appropriate heading, the aggregate track mileage, miles of wire, pipe or pole line or*
 42 *of operational route, as the case may be, within the State of Oregon.]*

43 **(2) The assessment roll prepared by the department under this section must include all**
 44 **of the following:**

45 **(a) The name of each company assessed under ORS 308.505 to 308.665.**

1 **(b) Under the name of each company, a general description of the property assessed in**
 2 **the name of the company. A general description under this paragraph is deemed to include**
 3 **all property of the company that is assessable under ORS 308.505 to 308.665. A general de-**
 4 **scription under this paragraph may be in any form prescribed by the department and may**
 5 **refer to or incorporate by reference an order or memorandum made by the department that**
 6 **describes property of the company that is assessable under ORS 308.505 to 308.665.**

7 **(c) Wherever possible, under the name of each company and under an appropriate head-**
 8 **ing, the aggregate track mileage, miles of wire, pipe or pole line, or the operational routes**
 9 **within the State of Oregon.**

10 **(3) An assessment may not be invalidated because of a mistake related to the ownership,**
 11 **lease or usage of the property if the property is generally correctly described.**

12 **SECTION 8.** ORS 308.565 is amended to read:

13 308.565. (1) For the purpose of determining the [*respective amounts*] **amount** of the assessment
 14 of any **centrally assessed** company[, *under ORS 308.505 to 308.665, that shall*] **that is to** be appor-
 15 tioned to [*the several*] **those** counties in this state[, *into or through*] **in** which the rail lines of the
 16 company [*extend or are operated*] **are located**, the Department of Revenue shall multiply the values
 17 per mile, as ascertained pursuant to ORS 308.570, of [*the several*] main and branch lines by the
 18 number of miles of [*such*] main and branch lines **in each county**, [*respectively,*] including miles of
 19 main tracks, spurs, yard tracks and sidetracks, [*in each of the counties,*] as reported by the
 20 company[,] or as otherwise [*ascertained and*] determined by the department.

21 **(2) The department shall apportion** values distributed over wire, pipe or pole lines or opera-
 22 tional routes [*shall be apportioned to the*] **to those** counties in which the lines or routes are
 23 [*situated*] **located** by multiplying the rate per mile in each case, determined pursuant to ORS 308.575,
 24 by the number of miles of the wire, pipe or pole lines or operational routes in each county[, *re-*
 25 *spectively*].

26 **(3) If the property of any company assessable under ORS 308.505 to 308.665 is of such a char-**
 27 **acter that its value cannot reasonably be apportioned on the basis of rail, wire, pipe, pole line or**
 28 **operational route mileage, the department may adopt [*such*] **any** other method or basis of appor-**
 29 **tionment to [*the*] **each** county [*or counties*] in which the property is [*situated as may be*] **located that**
 30 **the department determines to be** feasible and proper.**

31 **(4) As determined by the department, values of electric power plants and water powers, con-**
 32 **connected with or used in the operation and business of any company, assessable under ORS 308.505**
 33 **to 308.665, may be apportioned to [*the counties*] **each county** in which [*the same*] **power plants and**
 34 **water powers** are [*situated, in such manner as*] **located in a manner** the department deems rea-
 35 sonable and fair.**

36 **(5) Assessments of the mobile property of air transportation companies shall be allocated and**
 37 **apportioned **only** to those counties [*only*] in which the air transportation companies make service**
 38 **landings. For aircraft less than 75,000 pounds gross taxi weight, the department shall allocate and**
 39 **apportion to the counties 60 percent of the value which would otherwise be allocated and appor-**
 40 **tioned.**

41 **(6)(a) Assessments of water transportation companies shall be allocated and apportioned to**
 42 **those counties in which such companies use or maintain ports or termini, including off-shore**
 43 **anchorage[.]; *but, for the***

44 **(b) For** purposes of ORS 308.505 to 308.665, the taxing districts to which assessments are ap-
 45 portioned by the county assessor shall be deemed to extend to the center of any river channel or

1 to the ocean bar.

2 **SECTION 9.** ORS 308.570 is amended to read:

3 308.570. (1) In the assessment of the property of any company conducting transportation or op-
4 erating over rail lines, [*except any private railcar company with personal property that does not exceed*
5 *\$1 million in real market value,*] the Department of Revenue shall determine the value of each branch
6 line of the company [*situated*] **located** within this state and the mileage of [*such*] **each** branch line,
7 including miles of main tracks, spurs, yard and sidetracks.[, *and*]

8 (2) **The department** shall determine the values per mile of [*such*] **a** branch line by dividing
9 [*its*] **the value of the line** by the mileage [*thereof*] **of the line**.

10 (3) The department shall deduct the total [*amount so determined as the*] value of branch lines
11 **of the company** from the total value of [*the*] **all centrally assessed** property of the company.[,
12 *assessable under ORS 308.505 to 308.665, and*] **The department** shall **then** determine the values per
13 mile of the main line of [*such*] **the** company by dividing the remainder by the number of miles of the
14 main line, taking into consideration miles of main tracks, spurs, yard and sidetracks. Each mile of
15 spurs, yard and sidetracks shall be valued at not to exceed 50 percent of the value per mile assigned
16 to the main track of the branch or main line with which [*they*] **the spurs, yard and sidetracks** are
17 connected.

18 (4) **This section does not apply to small private railcar companies.**

19 **SECTION 10.** ORS 308.575 is amended to read:

20 308.575. [*In the assessment of the property of any company owning, operating over or using wire,*
21 *pipe or pole lines or operational routes, the assessed value thereof may in the discretion of*] The De-
22 partment of Revenue [*be apportioned*] **may apportion the assessed value of the property of any**
23 **company owning or using wire, pipe or pole lines, or operating over operational routes,** over
24 the wire, pipe or pole lines [*or operational routes*] in such manner and at such rate or rates per mile
25 as the department [*shall determine*] **determines** to be reasonable and fair.

26 **SECTION 11.** ORS 308.615 is amended to read:

27 308.615. **When the review of the assessment roll is complete,** [*when examined, reviewed, cor-*
28 *rected, equalized and apportioned, shall be kept on file in the office of*] the Department of Revenue
29 **shall keep the roll** as a public record.

30 **SECTION 12.** ORS 308.621 is amended to read:

31 308.621. (1) [*The assessment roll having been reviewed by*] **When the Director of the** Department
32 of Revenue **completes review of the assessment roll,** the assessments therein shall be considered
33 complete.

34 (2) Except as otherwise provided in ORS 308.640, **upon completion of the roll** the Department
35 [*immediately*] **of Revenue** shall certify to the assessor of each county in which the property of any
36 company so assessed is [*situated*] **located,** the number of miles of main and branch lines of the
37 company, including miles of main tracks, spurs, yard and sidetracks, or the number of miles of wire,
38 pipe or pole lines or operational routes, as the case may be, and the assessed [*value or*] values ap-
39 portioned to the county. The **county** assessor shall apportion the [*amount or amounts so*] certified
40 **amounts** to the municipal corporations and taxing districts of the county by multiplying the value
41 per mile of each [*such*] main and branch rail line, and of spurs, yard and sidetracks connected
42 therewith, or the value per mile of each wire, pipe or pole line or operational route by the mileage
43 [*thereof*] **located** in each of the municipal corporations and taxing districts, and shall enter the as-
44 sements so certified and apportioned in the assessment roll.

45 (3) The assessed value of any property assessed by the department and apportioned on a basis

1 other than that of rail, wire, pipe or pole line mileage or operational route mileage,] shall be cer-
 2 tified in similar manner to the county assessor and shall be entered in the county assessment roll,
 3 with allocation to the municipal corporations and taxing districts in which *[such]* **the** property is
 4 *[situated]* **located**.

5 (4) Taxes shall be levied and collected on *[assessments of]* properties *[so made,]* **assessed**, cer-
 6 tified and apportioned in the same **time and** manner as taxes on other properties are levied and
 7 collected *[and at the same time and by the same officers]*.

8 **SECTION 13.** ORS 308.640 is amended to read:

9 308.640. (1) *[When the Department of Revenue assesses a private railcar company with personal*
 10 *property that does not exceed \$1 million in real market value,]* The Department **of Revenue** shall
 11 determine the assessed value *[thereof]* **of the personal property of each small private railcar**
 12 **company** by multiplying the real market value of the company's personal property by the average
 13 ratio of assessed value to real market value of all *[properties]* **property of large** private railcar
 14 companies *[with personal property with a real market value exceeding \$1 million, as computed and*
 15 *determined by the department for the current year]*.

16 (2) The department shall determine the tax to be imposed on **small** private railcar companies
 17 *[with personal property that does not exceed \$1 million in real market value]* as follows:

18 (a) Taxes to be credited to the county school funds shall be calculated by applying to the as-
 19 sessed value of the property the average school tax rate in the state for the immediately prior tax
 20 year, applying to the assessed values of **large** private railcar companies *[with personal property, the*
 21 *real market value of which exceeds \$1 million, as compiled and]* **as** determined by the department for
 22 the year.

23 (b) Taxes to be credited to the county general funds shall be calculated by applying to the as-
 24 sessed value thereof the average *[non-school]* **nonschool** tax rate in the state for the immediately
 25 prior tax year, applying to the assessed values of **large** private railcar companies *[with personal*
 26 *property, the real market value of which exceeds \$1 million, as compiled and]* **as** determined by the
 27 department for the year.

28 (c) The taxes determined under this subsection *[shall]* **may** not be imposed in an amount that
 29 exceeds the limits established in ORS 310.150 for any year.

30 (3) The department *[of Revenue hereby is empowered to]* **may** charge, levy and collect the tax
 31 so determined on the personal property of any *[such]* **small private railcar** company having a tax-
 32 able situs in this state. Each tax so charged and levied *[shall constitute]* **constitutes** a lien as of July
 33 1 of the tax year on all the personal property of the company within this state and shall be payable
 34 in the same manner, at the same due dates and with the same rates of discount or interest provided
 35 by law in respect to taxes on personal property payable in the several counties. In collecting such
 36 taxes, the Department of Revenue may pursue any or all of the rights, remedies or processes pro-
 37 vided by law for the collection of delinquent taxes on personal property and, in connection there-
 38 with, the department shall have, in any county, the power and authority of the sheriff and tax
 39 collector thereof.

40 (4) Moneys collected by the department under this section shall be apportioned to each county
 41 in the proportion that the portion of the assessed value of cars of **large** private railcar companies
 42 *[with personal property, the real market value of which exceeds \$1 million, and]* that is attributable
 43 to the county bears to the total assessed value of cars of **large** private railcar companies *[with*
 44 *personal property, the real market value of which exceeds \$1 million]*. Moneys so distributed to each
 45 county treasurer shall be credited to the county school fund and general fund of the county as di-

1 rected by the department.

2 (5) Real property of [*such*] **large private railcar companies and small private railcar compa-**
 3 **nies** shall be apportioned to the several counties according to the [*situs thereof*] **location of the real**
 4 **property.**

5 **SECTION 14.** ORS 308.645 is amended to read:

6 308.645. [*Each county assessor may require, and it is hereby made the duty of the several persons*
 7 *or companies liable to assessment*] **Upon request by the county assessor, a company assessed**
 8 **by the Department of Revenue** under ORS 308.505 to 308.665 [*to furnish, reports*] **shall furnish a**
 9 **report** to the county assessor, under oath, showing the length, **as of January 1 at 1:00 a.m. of the**
 10 **assessment year**, in each city, town, school district, road district, port or other municipal taxing
 11 agency or district, or in lieu thereof the length in each tax code area in the county, of main and
 12 branch railroad lines, and of main tracks, spurs, yard tracks and sidetracks and also of wire, pipe
 13 or pole lines and operational routes.

14 **SECTION 15.** ORS 308.820 is amended to read:

15 308.820. (1) All taxes levied under ORS 308.805 shall be a debt due and owing from the associ-
 16 ation and shall be a lien on all the property, real and personal, of the association from [*February*
 17 *1*] **March 1** of each year. The taxes shall be delinquent if not paid within 30 days of the due date
 18 thereof. Interest shall be charged on the delinquent taxes in the manner prescribed in ORS 305.220.

19 (2) The Department of Revenue shall enforce collection of the taxes levied under ORS 308.805
 20 and immediately after the delinquency date thereof shall institute an action for the collection of
 21 such taxes, together with interest, costs and other lawful charges thereon. The department shall
 22 have the benefit of all laws of this state pertaining to provisional remedies against the properties,
 23 either real or personal, of such associations, without the necessity of filing either an affidavit or
 24 undertaking, as otherwise provided by law.

25 **SECTION 16.** **Section 1 of this 2009 Act is repealed on January 2, 2022.**

26 **SECTION 17.** **The amendments to statutes by sections 2 to 15 of this 2009 Act apply to**
 27 **tax years beginning on or after July 1, 2010.**

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