

House Bill 2654

Sponsored by COMMITTEE ON REVENUE (at the request of Association of Oregon Counties)

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**.

Clarifies that apportionment provisions apply to local option taxes imposed by county for roads.

A BILL FOR AN ACT

1
2 Relating to local option taxes; amending ORS 368.710.

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

4 **SECTION 1.** ORS 368.710 is amended to read:

5 368.710. (1) [*The local option taxes imposed*] **A countywide local option tax imposed by a**
6 **county** under ORS 280.040 to 280.145 **for road improvement, repair or maintenance** must be
7 apportioned as follows:

8 (a) Not less than 50 percent of the tax collected must be apportioned to the several road dis-
9 tricts, including districts composed of incorporated cities, in the same proportion as the amount of
10 taxable property in each district bears to the whole amount of taxable property in the county. The
11 amount apportioned to any incorporated city must be transferred to it to be expended under the
12 management of its officials for the improvement and repair of county roads and for the improvement,
13 repair and maintenance of improved streets within the boundaries of the city.

14 (b) The entire remaining revenue must be applied to roads in such locality in the county as the
15 county governing body directs.

16 (2) If a local option tax levy is reduced due to compression under ORS 310.150, the amounts
17 apportioned under subsection (1) of this section must be based on the amount of taxes actually levied
18 under the limits of compression.

19 (3) A county, road districts with territory in the county and incorporated cities with territory
20 in the county may modify, by agreement, the apportionment of local option taxes provided for in this
21 section to fund more effectively and efficiently projects within the county to construct, maintain,
22 improve and repair public roads.

23

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.