

**Enrolled**  
**House Bill 3112**

Sponsored by Representatives FREEMAN, BAILEY, HUNT; Representative G SMITH, Senator MORRISETTE (at the request of Associated Oregon Loggers)

CHAPTER .....

AN ACT

Relating to taxation of logging equipment; amending ORS 307.827 and sections 4 and 7, chapter 957, Oregon Laws 1999; repealing section 5, chapter 957, Oregon Laws 1999; and prescribing an effective date.

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

**SECTION 1.** ORS 307.827 is amended to read:

307.827. (1) Environmentally sensitive logging equipment is exempt from ad valorem property taxation.

(2) As used in this section:

(a) "Environmentally sensitive logging equipment" means logging equipment that was originally manufactured [*not more than eight years preceding the assessment date for the tax year for which exemption under this section is claimed*] **after 1992**.

(b) "Logging equipment" means machinery and equipment:

(A) Used in logging or forest management operations involving timber harvest, including the felling, bucking, yarding, loading or utilization of timber, logs or wood fiber in the forest, or used in reforestation, forest vegetation restoration, site preparation, vegetation control, stand and tree improvement or thinning;

(B) That is specifically designed for activities related to water quality or fish and wildlife habitat protection in the forest; or

(C) Consisting of excavators used in logging road construction, maintenance, reconstruction or improvements, including the closing or obliterating of existing forest roads.

(c) "Logging equipment" does not include:

(A) Equipment used in nonforest applications for more than 20 percent of the tax year, as measured by the operating hours of the equipment.

(B) Equipment used in the manufacturing or milling of forest products.

(C) Power saws, hand tools, blocks or pulleys that are not a part of the equipment, rigging, shop equipment or support equipment.

(D) Logging equipment that is exempt from tax under ORS 307.831.

**SECTION 2.** Section 4, chapter 957, Oregon Laws 1999, as amended by section 1, chapter 795, Oregon Laws 2003, is amended to read:

**Sec. 4.** ORS 307.827 applies to tax years beginning on or after July 1, 2000, and before July 1, [2012] **2018**.

**SECTION 3.** Section 7, chapter 957, Oregon Laws 1999, as amended by section 2, chapter 795, Oregon Laws 2003, is amended to read:

**Sec. 7.** ORS 307.831 applies to tax years beginning on or after July 1, 2000, and before July 1, [2012] 2018.

**SECTION 4.** Section 5, chapter 957, Oregon Laws 1999, is repealed.

**SECTION 5.** This 2009 Act takes effect on the 91st day after the date on which the regular session of the Seventy-fifth Legislative Assembly adjourns sine die.

**Passed by House June 17, 2009**

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Chief Clerk of House

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Speaker of House

**Passed by Senate June 23, 2009**

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President of Senate

**Received by Governor:**

.....M,....., 2009

**Approved:**

.....M,....., 2009

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Governor

**Filed in Office of Secretary of State:**

.....M,....., 2009

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Secretary of State