

**A-Engrossed**  
**Senate Bill 589**

Ordered by the Senate April 1  
Including Senate Amendments dated April 1

Sponsored by Senators FERRIOLI, DEVLIN, TELFER; Senators ATKINSON, ROSENBAUM, VERGER, Representatives HUFFMAN, RILEY, ROBLAN

**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.

Repeals five-year time limit for exemption from taxation of Indian tribal land.  
Repeals sunset of exemption for property tax years beginning on or after July 1, 2012.  
Applies to property tax years beginning on or after July 1, 2008.  
Takes effect on 91st day following adjournment sine die.

**A BILL FOR AN ACT**

1  
2 Relating to taxation of Indian tribal land; creating new provisions; amending ORS 307.181; and pre-  
3 scribing an effective date.

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

5 **SECTION 1.** ORS 307.181 is amended to read:

6 307.181. (1)[(a)] Land acquired by an Indian tribe by purchase, gift or without consideration is  
7 exempt from taxation if:

8 [(A)] (a) The land is located within the ancient tribal boundaries of the tribe; and

9 [(B) *Transfer of the land to a trust administered by the United States has been requested or is in*  
10 *process.*]

11 **(b) Acquisition of the land by the United States in trust status has been requested or is**  
12 **in process.**

13 [(b) *The exemption under this section shall continue for no more than four years after the initial*  
14 *year of exemption under this section. If the land is not transferred to the trust within the five-tax-year*  
15 *exemption period, the exemption pursuant to this subsection shall cease commencing with the first tax*  
16 *year beginning after the expiration of the five-tax-year period.*]

17 [(2) *Property may not be exempt under this section for a tax year beginning on or after July 1,*  
18 *2012.*]

19 **(2) The exemption under this section ceases if the federal government enters a final ad-**  
20 **ministrative determination denying the request for acquisition of the land in trust status**  
21 **and:**

22 (a) **The deadlines for all available federal administrative appeals and federal judicial re-**  
23 **view expire with no appeal or review initiated; or**

24 (b) **All federal administrative and judicial proceedings arising from or related to the re-**  
25 **quest for or process of acquisition of the land in trust status that have been initiated are**  
26 **completed without overturning the administrative denial of the request.**

**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        **SECTION 2.** The amendments to ORS 307.181 by section 1 of this 2009 Act apply to  
2 property tax years beginning on or after July 1, 2008.

3        **SECTION 3.** This 2009 Act takes effect on the 91st day after the date on which the reg-  
4 ular session of the Seventy-fifth Legislative Assembly adjourns sine die.

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