

**REVENUE IMPACT OF  
PROPOSED LEGISLATION  
75th Oregon Legislative Assembly  
2010 Special Session  
Legislative Revenue Office**

**Bill Number: SB 1015 A  
Revenue Area: Property Tax  
Economist: Dae Baek  
Date: Feb 8, 2010**

**Measure Description:** Broadens the definition of a proposed taxing district boundary change to include a change that has not become final or effective on or before March 31 and that is subject to voter approval in an election held before July 1 of the same year and becomes final or effective before July 1. Exempts from property taxation certain communications equipment, emergency response equipment and other tangible personal property owned by a nonprofit maritime fire and safety association, acquired or used primarily to respond to shipboard fires or oil spills in navigable waters. Exempts from property taxation property used for other than housing or residential purposes that is part of multiple-unit housing approved for exemption before August 26, 2009, for tax year beginning before July 1, 2009. Specifies the manners in which refunds are made. Extends the sunset of approval of property tax exemption for certain low-income rental housing from December 31, 2009 to December 31, 2019. Conforms various parts of Oregon Revised Statutes to the Constitutional change that eliminates double majority requirement in May or November elections of any year.

Takes effect on 91st day following adjournment sine die.

**Revenue Impact (in \$Millions):**

- (1) Redefining a proposed taxing district boundary change: No Revenue Impact
- (2) Property tax exemption of certain personal property for a nonprofit maritime and fire safety association: Minimal\* revenue loss for local government and school districts in Multnomah, Clatsop, and Columbia Counties.
- (3) Property tax abatement for certain mixed-use multiple-unit housing (Multnomah County)

	Fiscal Year		Biennium		
	2009-10	2010-11	2009-11	2011-2013	2013-2015
Local Government	-\$0.22	-\$0.22	-\$0.44	-\$0.47	-\$0.50
Local School Districts	-\$0.43	-\$0.44	-\$0.87	-\$0.92	-\$0.97
<b>Total</b>	<b>-\$0.65</b>	<b>-\$0.66</b>	<b>-\$1.31</b>	<b>-\$1.39</b>	<b>-\$1.47</b>

- (4) Property tax exemption for certain low-income rental housing: Minimal\* revenue loss
- (5) Conforming Oregon Revised Statutes to Constitutional change: No Revenue Impact

\*Minimal means revenue loss of less than \$50,000.

**Impact Explanation:** The amount of property tax related to mixed-use multiple-unit housing is \$644,619 for the 2009-10 property tax year. The Tax Expenditure Report estimates that the revenue loss from property tax exemption for certain low-income rental housing is \$1.4 million for FY 2009-11. With extension of sunset for such housing, there will be potentially newly qualified low-income rental housing whose revenue impact is estimated to be minimal. Most of qualified low-income housing is present in Lane County where ten units were added as qualified property in 2008 and the last major expansion occurred in 2005 with the addition of 232 units.

**Creates, Extends, or Expands Tax Expenditure:** Yes  No

Creates property tax exemption for certain mixed-use multiple-unit housing and a nonprofit maritime fire and safety association. Extends the sunset of approval of property tax exemption for certain low-income rental housing.