

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
Seventy-Sixth Oregon Legislative
Assembly
2011 Regular Session
Legislative Revenue Office

Bill Number: HB 2543
Revenue Area: Property Tax
Economist: Christine Bronia
Date: 3/3/2011

MEASURE: HB 2543
EXHIBIT: E
HOUSE REVENUE COMMITTEE
DATE: 3/4/2011 PAGES: 1
SUBMITTED BY: CHRISTINE BRONIAK

Measure Description:

Increases interest rate on amounts of property taxes advanced to counties for tax-deferred property to eight percent per annum.

**Revenue Impact (in \$Millions): 2011-13 \$0.12
2013-15 \$0.35**

Impact Explanation:

In the Senior Deferral Program for property tax, a simple interest rate accrues on the amount of taxes paid by the Department of Revenue for participants in the program. The amount of taxes paid for an individual over the period of the deferral is collected by the Department of Revenue when the property is sold or transferred. This amount of outstanding liability is increased annually by a simple interest rate. The measure would change the interest rate from 6% to 8% on the portion of outstanding balances that accrue after the effective date.

Creates, Extends, or Expands Tax Expenditure: Yes No