

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

Bill Number: HB 2569 – 1
Revenue Area: Property Tax
Economist: Christine Broniak
Date: 3/10/2011

Measure Description:

Authorizes county assessor to order deferred billing credit to taxpayer if dollar amount at issue in property tax appeal exceeds \$1 million.

Revenue Impact (in \$Millions): Indeterminate, see below.

Impact Explanation: The deferred billing credit makes it possible for the county governments, local governments and taxing districts to avoid paying 12% interest on amounts of tax refunded to a taxpayer upon a successful appeal. The measure, as amended by the -1 amendment, would allow the assessor to issue a deferred billing credit in the amount considered necessary to mitigate the risk of paying interest on a successful large-value appeal. The measure allows the assessor to have discretion to choose the amount that is issued for the credit. If the assessor does not issue the credit, or the credit is issued on an unsuccessful appeal, the measure will have no revenue impact. However, in the case that a deferred billing credit is issued on an appeal that is successful, the measure has the potential to eliminate the 12% interest paid to the taxpayer upon any applicable refunds of taxes. The amount of savings depends on circumstances, the outcome of the appeal, and the amount issued as a credit. It could range from no impact to an indeterminate positive revenue impact. The scale of the impact would also depend on how often the assessors choose to use the deferred billing credit.

Creates, Extends, or Expands Tax Expenditure: Yes No