

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

Bill Number: **SB 302**  
 Revenue Area: **Property Tax**  
 Economist: **Christine Broniak**  
 Date: **4/5/2011**

**Measure Description:**

Extends eligibility for amended repayment schedule to additional taxes due to correction of property tax roll made on or after May 27, 2008, and before May 27, 2010, to the extent that additional taxes were outstanding on November 1, 2010.

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

Biennium	2011-13	2013-15
Revenue Impact (Local Governments and Taxing Districts)	(\$0.03)	\$0

**Impact Explanation:**

The measure changes the repayment schedule for taxpayers that have had tax added to the rolls in this two year timeframe. Revenues from these roll corrections will still be collected, but in some cases, the measure would delay the revenue collection by up to six years. The only loss of revenue is any delinquent interest paid by taxpayers that have a roll correction in this period and have not paid the tax due in the time frame currently required by statute. The measure would waive the interest on taxes that are outstanding from these roll corrections.

Roll corrections in fiscal year 2010 are in the table below. The sum of the roll corrections made retroactively for tax years prior to 2009-10 is \$1,943,527. It is likely that most of these are part of multiple year roll corrections. For estimation, this assumption is necessary. In 2009-10, 6.0% of taxes were uncollected. Assuming the average delinquency rate applies to the multiple year roll corrections made in FY 2010, \$116,611 is the estimated amount that becomes delinquent from the corrections. Annually, interest collected on these balances is estimated to be \$18,658.

Roll Corrections Applied in Fiscal Year 2010 by Tax Year

2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
3,487,073	936,416	803,458	62,309	78,817	54,160	8,367

In fiscal year 2009, roll corrections are in the table below. The sum of the roll corrections made retroactively for tax years prior to 2008-09 is \$860,594. Using the same assumptions as above, interest collected on the portion of these balances that become delinquent is estimated to be \$8,262 annually.

Roll Corrections Applied in Fiscal Year 2009 by Tax Year

2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
3,378,672	431,041	161,155	143,551	83,340	41,281	226

While roll corrections applied in FY 2009 and FY 2010 are not analogous to the exact dates in the measure, they provide an approximation for those years. It is assumed that the delinquent fees will be paid in 2011-13, and revenue losses will be refunds of delinquent interest that has already accrued on delinquent amounts.

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