

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

**Bill Number:** HB 2563 - 2  
**Revenue Area:** Property Tax  
**Economist:** Christine Broniak  
**Date:** 5/31/11  
  
*Draft*

**Measure Description:**

Creates and adjusts sunset dates for certain exemptions to property taxation. Limits the assessed value of alternative energy systems that are centrally assessed by the Department of Revenue to \$0.60 per watt of installed capacity.

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

	2011-13 Shift	2011-13 Loss	2013-15 Shift	2013-15 Loss
Counties and Local Taxing Districts	(\$0.1)	(\$0.5)	(\$0.1)	(\$0.5)

**Impact Explanation:** The measure extends the sunset for the alternative energy systems property tax exemption from July 1, 2012 to July 1, 2018. Currently, public utilities and people's utility districts along with businesses whose primary purpose is to produce, transport, or distribute energy are only exempt if they are part of a net metering facility or part of another system to offset onsite electricity use. The measure provides that all centrally assessed property is not eligible for exemption unless it is part of a net metering facility or part of another system to offset onsite electricity use. The measure would limit the assessed value of any centrally assessed facilities which are not part of net metering facilities or offset systems to \$0.60 per watt of installed capacity, and would retain the property tax exemption for those businesses which are part of these facilities, despite their central assessment.

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

The policy purpose of this measure is to promote alternative energy systems with less environmental impact than other means of producing energy.