

REVENUE IMPACT OF PROPOSED LEGISLATION

Seventy-Sixth Oregon Legislative Assembly 2011 Regular Session
Legislative Revenue Office

Bill Number:	SB 304
Revenue Area:	Property Tax
Economist:	Christine Broniak
Date:	3/14/2011

Measure Description: Requires county to pay attorney fees and expenses allowed in property tax proceeding involving locally assessed property.

Revenue Impact (in \$Millions):

Biennium	2011-13	2013-15
Expense transfer from Department of Revenue to local governments.	\$0.04	\$0.04

This revenue impact represents a transfer of responsibility for these expenses from the Department of Revenue to county governments.

Impact Explanation: In property tax appeals cases for locally assessed property, the current statute requires that any attorney's fees and reasonable costs awarded by the court be paid by the Department of Revenue. The measure shifts the responsibility for paying these fees to the counties for these cases. It has been rare for the court to order the Department of Revenue to pay fees or reasonable expenses. The Department of Revenue does not have an invoicing system for these payments, so available information comes from the Justice Department. There have been three cases where the court has awarded these fees to taxpayers and required the Department of Revenue to pay them. They are:

McKee v. DOR & Lincoln County TC 4620	(10/04)	\$30,000
Department of Revenue v. Kelly TC 4829	(4/10)	\$ 9,300
Village at Main Street TC 4877	(6/10)	\$ Not yet found

Counties would be responsible for these payments in locally assessed cases, and the revenue impacts are expected to be less than \$20,000 a year, if past awards are an indication of the payments the counties would make under this measure.

Creates, Extends, or Expands Tax Expenditure: Yes No

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