

**76TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

**MEASURE: HB 2563 A6
CARRIER:**

**REVENUE: Revenue Impact Statement Issued
FISCAL: Fiscal Impact Statement Issued**

**Action:
Vote:**

Yeas:
Nays:
Exc.:

Prepared By: Christine Broniak, Economist
Meeting Dates: 6/1, 6/8, 6/15

WHAT THE BILL DOES: Extends the sunset on property tax exemptions for food processing equipment from July 1, 2011 to July 1, 2013. If this exemption causes the refunding of taxes, the measure does not require interest on repayments.

ISSUES DISCUSSED:

- Businesses that would benefit from food processing property tax exemption

EFFECT OF COMMITTEE AMENDMENTS: Removes the sunset provision on property tax exemptions related to environmentally sensitive logging equipment

BACKGROUND: It is possible that assessors will refund taxes paid on qualifying food processing property in a subsequent roll correction, as applications for tax year 2011-12 were due in March and were not collected due to anticipation of this sunset date. For this reason, the measure includes the provision that interest is not owed on any refunds due to roll corrections applying this exemption.

Environmentally sensitive logging equipment (defined as having been manufactured after 1992) is exempt from ad-valorem property taxation. The sunset is extended until 2018 currently, but this measure would remove the sunset.