

Joint Committee on Ways and Means

Carrier – House: Rep. Jenson
Carrier – Senate: Sen. Edwards

Revenue: Revenue statement issued

Fiscal: Fiscal statement issued

Action: Do Pass as Amended and as Printed A-Engrossed

Vote: 25 – 0 – 0

House

Yeas: Beyer, Buckley, Cowan, Freeman, Garrard, Komp, Kotek, McLane, Nathanson, Nolan, Richardson, G. Smith, Thatcher, Whisnant

Nays:

Exc:

Senate

Yeas: Bates, Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Thomsen, Verger, Whitsett, Winters

Nays:

Exc:

Prepared By: Susie Jordan, Legislative Fiscal Office

Meeting Date: June 20, 2011

WHAT THE MEASURE DOES Extends the period for which forest products harvest taxes are imposed and establishes rates for the extended period. Maintains the current \$.625 rate that generates funds for payments of benefits related to fire suppression. Provides \$1.2953 rate forest products harvest tax to forest products harvested in calendar years 2012 and 2013 to maintain the current cost share between the general public (60%) and forest land owners (40%). The Measure establishes the tax rate for forest research and experimentation at \$0.8739.

ISSUES DISCUSSED:

- Industry Support for Programs funded through Harvest Tax revenues

EFFECT OF COMMITTEE AMENDMENT: Sets harvest tax for Forest Research Laboratory at \$0.8739 per thousand board feet. Sets harvest tax for Forest Practices at total of \$1.2953 per thousand board feet.

BACKGROUND Under current law, the temporary forest products harvest tax is extended by the legislature each session for the following two calendar years. The tax funds 40% of the Department of Forestry's Forest Practices program, approximately 50% of the Department of Forestry's Service Forestry program, and provides revenue for the Forest Research Laboratory at Oregon State University. Harvest tax revenues are also used to support the Department of Forestry's fire protection program and the Oregon Forest Research Institute. The tax is measured per thousand board feet of harvest timber.

As of July 2004, all privately owned forestlands are subject to the Forestland Products Harvest Tax unless owners elected to have qualified parcels taxed under the Small Tract Forestland Program. Parcels taxed under the Oregon Forestland Program, as opposed to the Small Tract Forestland Program, are specially assessed at the lesser of its maximum assessed value or specially assessed value, as determined by the Department of Revenue.