

**76TH OREGON LEGISLATIVE ASSEMBLY  
2012 Regular Session  
STAFF MEASURE SUMMARY  
SENATE FINANCE AND REVENUE COMMITTEE**

**MEASURE: SB 1532  
CARRIER:**

**REVENUE:  
FISCAL:**

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**Action:  
Vote:**

**Yeas:  
Nays:  
Exc.:**

**Prepared By:** Warner, Economist  
**Meeting Dates:** February 6, 2012

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**WHAT THE BILL DOES:** Provides permissive language clarifying that centrally assessed property may be exempt under an enterprise zone agreement. The possible exemption applies to both the business enterprise statute (ORS 285C.170) and the long term rural enterprise zone statute (ORS 285C.409).

**ISSUES DISCUSSED:**

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**EFFECT OF COMMITTEE AMENDMENTS:**

**BACKGROUND:** In 2011, the Department of Revenue reviewed the statutory definition of communications and determined that FaceBook Company met the definition of a communications company. Under current law, this means that a company would be centrally assessed by the Department of Revenue. This determination raised a series of issues because it is the first time a centrally assessed property was located in an enterprise zone. FaceBook built a data center in an enterprise zone in central Oregon. Other information service providing companies could be affected as well. The decision to centrally assess a property can have a major impact on property tax liability because the intangible property of centrally assessed companies is included in the tax base. This is not the case for locally assessed property.

In early 2012 the Department of Revenue issued a clarifying temporary rule (150-308-505(3)) defining "data transmission services". This temporary rule would clarify that the FaceBook data center property located in central Oregon would not be centrally assessed.

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