

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
Seventy-Seventh Oregon Legislative  
Assembly  
2013 Regular Session  
Legislative Revenue Office

Bill Number: HB 2981 A  
Revenue Area: Property Tax  
Economist: Christine Broniak  
Date: 4/10/2013

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

**Measure Description:**

Allows exception to employment requirements for rural renewable energy development zone exemption from property taxation, and extension of exemption, if provided for in resolution of zone sponsor and business firm makes certain minimum investment in qualified property.

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

Indeterminate, see below

**Impact Explanation:**

This measure would waive the employment requirement for a business included in the Rural Renewable Enterprise Zone property tax exemption program that makes a \$5 million investment. The exemption is in effect for three to five years. There is interest by the solar power industry to participate and make some of these investments, but the extent to which this will be used is unknown. Central and Eastern Oregon, in particular, are the areas where the interest lies. Under current law, Rural Renewable Energy Development Zones are anticipated to have \$2.2 million in revenue impact for the 2013-15 biennium. To the extent that structures would not have been built but for this exemption, there is not a revenue impact. If structures would have been built regardless, there is an impact to this extension.

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

To stimulate and protect economic success...throughout all regions of the state, but especially in those communities at the center of or outside major metropolitan areas for which geography may act as an economic hindrance...by providing tax incentives for employment, business, industry and commerce and by providing adequate levels of complementary assistance to community strategies for such interrelated goals as environmental protection, growth management and efficient infrastructure. (ORS 285C.055)