

**77TH OREGON LEGISLATIVE ASSEMBLY  
2013 REGULAR SESSION  
PRELIMINARY STAFF MEASURE SUMMARY  
HOUSE REVENUE COMMITTEE**

**MEASURE: HB 2735  
CARRIER:**

**REVENUE:** Revenue impact statement issued.

**FISCAL:** May have fiscal impact; statement not yet issued.

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**Action:**

**Vote:**

**Yeas:**

**Nays:**

**Exc.:**

**Prepared By:** Christine Broniak, Economist

**Meeting Dates:** 2/26, 3/14

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**WHAT THE BILL DOES:** Extends sunset for property tax exemption for food processing equipment. Requires that the first tax year of property tax exemption begin prior to July 1, 2020. Allows food processor to apply for exemption for the tax year beginning July 1, 2013 by submitting the required application to the Department of Revenue by December 31, 2013.

**ISSUES DISCUSSED:**

- 5 year exemption
- Usable life of food processing equipment

**EFFECT OF COMMITTEE AMENDMENTS:**

**BACKGROUND:** The exemption applies to real and personal property machinery and equipment put in service prior to January 1 preceding the first tax year for which an exemption is sought. Food processing businesses are those that freeze, can, dehydrate, concentrate, preserve, process, or repack fruit, vegetables, nuts, legumes, or seafood.