

Senate Bill 261

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Exempts from property taxation certain property leased to United States in connection with electricity transmission in Pacific Northwest.

Applies to property tax years beginning on or after July 1, 2008.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to the taxation of federal utility property subject to a financing arrangement; creating new
3 provisions; amending ORS 307.040; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 307.040 is amended to read:

6 307.040. (1) **As used in this section, "United States" means the federal government or an**
7 **agency or instrumentality of the federal government.**

8 (2) Except as provided in ORS 307.050, 307.060, 307.070 and 307.080, all property of the United
9 States, its agencies or instrumentalities, is exempt from taxation to the extent that taxation
10 [*thereof*] **of the property** is forbidden by law.

11 (3) **Notwithstanding ORS 308.505 to 308.665, for purposes of this section, property the title**
12 **to which is held by a person other than the United States and that is leased to the United**
13 **States under a lease or lease-purchase agreement is property of the United States if:**

14 (a) **The property is operated or used in furtherance of a statutory responsibility of the**
15 **United States with respect to a high-voltage electricity transmission system that the United**
16 **States owns and operates within the Pacific Northwest;**

17 (b) **The property is constructed on or affixed to real property interests of the United**
18 **States; and**

19 (c) **Upon expiration of the lease or lease-purchase agreement, the United States has an**
20 **option to purchase the property for a nominal price, if the debt incurred by the person to**
21 **acquire the property has been paid.**

22 **SECTION 2.** The amendments to ORS 307.040 by section 1 of this 2013 Act apply to tax
23 years beginning on or after July 1, 2008.

24 **SECTION 3.** (1)(a) **To receive a refund under this section, an application must be filed**
25 **with the county assessor within 60 days after the effective date of this 2013 Act.**

26 (b) **An application filed under this section must:**

27 (A) **Contain information necessary to substantiate the claim for a refund.**

28 (B) **Be accompanied by a filing fee of \$200 for each property tax year for which a refund**
29 **is claimed.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **(2) For property tax years beginning on or after July 1, 2008, and before July 1, 2013:**

2 **(a) If property taxes on property described in ORS 307.040 (3) have not been paid, the**
3 **taxes and any interest on the taxes are abated.**

4 **(b) If property taxes on property described in ORS 307.040 (3) have been paid, the tax**
5 **collector of the county in which the property is located shall notify the governing body of the**
6 **county of any refund required by operation of ORS 307.040.**

7 **(3)(a) Upon receipt of notice from the tax collector under subsection (2)(b) of this section,**
8 **the governing body shall cause a refund of any amount of property taxes and interest on the**
9 **property taxes that has been paid to be made from the refund reserve account, if the county**
10 **has established a refund reserve account under ORS 311.807, or from the unsegregated tax**
11 **collections account described in ORS 311.385.**

12 **(b) A refund under this subsection shall be made without interest.**

13 **(4) The Department of Revenue, the county assessor and the tax collector shall make the**
14 **necessary corrections in the records of their offices.**

15 **SECTION 4. This 2013 Act takes effect on the 91st day after the date on which the 2013**
16 **regular session of the Seventy-seventh Legislative Assembly adjourns sine die.**

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