

**PROPOSED AMENDMENTS TO
HOUSE BILL 2555**

1 On page 1 of the printed bill, delete lines 9 through 30.

2 On page 2, delete lines 1 through 16 and insert:

3 **“SECTION 2. (1) In addition to the taxes imposed under ORS 321.015**
4 **(1) to (3) and 321.017, there is imposed a severance tax on the harvest**
5 **of all timber from forestlands in this state at a rate of \$15 per thou-**
6 **sand feet, board measure.**

7 **“(2) The severance tax imposed under subsection (1) of this section**
8 **is due and payable to the Department of Revenue in the manner and**
9 **following the procedure, including penalties and interest, set forth for**
10 **the collection of the privilege tax imposed under ORS 321.005 to 321.185.**

11 **“(3) The department shall adopt rules as necessary to effect the**
12 **purposes of sections 2 to 4 of this 2013 Act.**

13 **“SECTION 3. Revenue from the severance tax imposed under sec-**
14 **tion 2 of this 2013 Act shall be distributed as follows:**

15 **“(1) Three percent of the total revenue shall be retained by the**
16 **Department of Revenue to reimburse the department for the costs of**
17 **administering sections 2 to 4 of this 2013 Act.**

18 **“(2) Three percent of the total revenue shall be transferred to the**
19 **State Forestry Department Account established under ORS 526.060 to**
20 **reimburse the State Forester for the costs of certifying taxpayers and**
21 **performing other functions required under section 6 of this 2013 Act.**

22 **“(3) The remainder of the revenue shall be paid over by the de-**

1 department to the State Treasurer and deposited in a suspense account
2 established under ORS 293.445.

3 “(4)(a) Notwithstanding ORS 291.238, the amount of moneys neces-
4 sary to pay refunds of the severance tax imposed under section 2 of
5 this 2013 Act is continuously appropriated to the department from the
6 suspense account established under subsection (3) of this section, and
7 shall be used by the department for the payment of all refunds of the
8 severance tax imposed under section 2 of this 2013 Act that have been
9 audited and approved by the department.

10 “(b) Any penalties, interest and taxes then due from the taxpayer
11 shall be applied in that order in computing any refund, and only the
12 balance due the taxpayer, if any, shall be refunded.

13 “(c) The department shall on its records charge each refund against
14 the revenue from the tax with respect to which the refund is made.

15 “(5) After payment of severance tax refunds under subsection (4)
16 of this section, the balance of the severance tax revenue in the sus-
17 pense account shall be deposited in the Oregon Timber Industry Sub-
18 sidy Account.

19 **“SECTION 4. (1) The Oregon Timber Industry Subsidy Account is**
20 **established in the State Treasury, separate and distinct from the**
21 **General Fund. Interest earned by the Oregon Timber Industry Subsidy**
22 **Account shall be retained by the account.**

23 “(2) Moneys are continuously appropriated from the Oregon Timber
24 Industry Subsidy Account to the Department of Revenue for use in
25 making the following payments:

26 “(a) An amount equal to \$2 per thousand feet, board measure,
27 multiplied by the total harvest subject to the severance tax imposed
28 under section 2 of this 2013 Act in a reporting period, payable to each
29 county so that the amount received by each county bears the same
30 proportion to the amount received by all counties as the amount of

1 severance tax revenue received from harvests in the county in the
2 reporting period bears to the total severance tax revenue received
3 from harvests in all counties in the reporting period; and

4 **“(b) The refundable credit allowable under section 6 of this 2013 Act.**

5 **“(3) Moneys in excess of the amounts required for the payments**
6 **described in subsection (2) of this section, determined as of May 1 of**
7 **each year, shall be distributed on or before August 15 of each year to**
8 **each county so that the amount received by each county bears the**
9 **same proportion to the amount received by all counties as the amount**
10 **of severance tax revenue received from harvests in the county bears**
11 **to the total severance tax revenue received from harvests in all**
12 **counties.”.**

13 In line 20, after “logs” insert “harvested and” and after “milled” insert
14 “to a diameter of not more than 12 inches”.

15 Delete line 22 and insert:

16 **“(2) The amount of the credit may not exceed \$12 per thousand feet, board**
17 **measure, and may be reduced as provided in section 6a (3) of this 2013**
18 **Act.”.**

19 In line 42, after “Forester” insert “, in consultation with the Department
20 of Revenue,”.

21 After line 44, insert:

22 **“SECTION 6a. (1) On or before February 15 of each year, the Di-**
23 **rector of the Department of Revenue shall certify the amount of net**
24 **revenue received by the Department of Revenue from the severance**
25 **tax imposed under section 2 of this 2013 Act during the previous cal-**
26 **endar year and paid over to the State Treasurer as required in section**
27 **3 (3) of this 2013 Act.**

28 **“(2) Total credits allowed under section 6 of this 2013 Act for all tax**
29 **years ending during any calendar year may not exceed the amount of**
30 **net revenue received for the calendar year and certified by the director**

1 as provided in subsection (1) of this section.

2 “(3) In the event that, for tax years ending in any calendar year,
3 the State Forester receives applications for tax credit certifications
4 under section 6 of this 2013 Act that, if allowed at a rate of \$12 per
5 thousand feet, board measure, would exceed the amount of net reve-
6 nue certified by the director under subsection (1) of this section, the
7 director shall reduce the allowed tax credit rate in order that the total
8 amount of tax credits allowed to all taxpayers does not exceed the
9 certified amount of net revenue. On or before February 15 of each
10 year, the director shall announce the allowed rate of credit for tax
11 years ending in the previous calendar year.”.

12 On page 3, line 2, delete “and 6” and insert “, 6 and 6a”.

13 On page 9, line 19, delete “and 6” and insert “, 6 and 6a”.

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