

D R A F T

SUMMARY

Provides, for purposes of central assessment, that property of company subject to central assessment does not include intangible property.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to intangible property; creating new provisions; amending ORS 307.030 and 308.505; and prescribing an effective date.

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

SECTION 1. ORS 308.505 is amended to read:

308.505. As used in ORS 308.505 to 308.665:

(1) “Car” or “railcar” means a vehicle adapted to the rails of a railroad.

(2) “Centrally assessed” means the assessment of property by the Department of Revenue under ORS 308.505 to 308.665.

(3) “Communication” includes telephone communication and data transmission services by whatever means provided.

(4) “Inland water” means all water or waters within the State of Oregon, all interstate rivers touching Oregon and all tidewaters extending to the ocean bars.

(5) “Interstate” means transit between the State of Oregon and:

(a) Another state;

(b) A district, territory or possession of the United States; or

(c) A foreign country.

(6) “Large private railcar company” means a private railcar company with personal property with a real market value for the tax year that exceeds \$1

1 million.

2 (7) "Locally assessed" means the assessment of property for property tax
3 purposes by the county assessor that is not conducted under ORS 308.505 to
4 308.665.

5 (8) "Person," "company," "corporation" or "association" means any per-
6 son, group of persons, whether organized or unorganized, firm, joint stock
7 company, association, cooperative or mutual organization, people's utility
8 district, joint operating agency as defined in ORS 262.005, syndicate, entity
9 formed to partner or combine public and private interests, partnership or
10 corporation engaged in performing or maintaining any business or service
11 or in selling any commodity as set forth in ORS 308.515, whether or not the
12 activity is pursuant to any franchise and whether or not the person or other
13 entity or combination of entities possesses characteristics of limited or un-
14 limited liability.

15 (9) "Property":

16 (a) Means all property of any kind, whether [*real, personal, tangible or*
17 *intangible*] **real property or tangible personal property**, that is used or
18 held by a company as owner, occupant, lessee or otherwise, for the perform-
19 ance or maintenance of a business or service or for the sale of a commodity,
20 as described in ORS 308.515;

21 (b) Includes, but is not limited to, the lands and buildings, rights of way,
22 roadbed, water powers, vehicles, cars, rolling stock, tracks, office furniture,
23 telephone and transmission lines, poles, wires, conduits, switchboards, ma-
24 chinery, appliances, appurtenances, docks, watercraft irrespective of the
25 place of registry or enrollment, merchandise, inventories, tools, equipment,
26 machinery, [*franchises and special franchises,*] work in progress and all other
27 goods or chattels; and

28 (c) Does not include [*items of*] intangible property [*that represent:*].

29 [(A) *Claims on other property, including money at interest, bonds, notes,*
30 *claims, demands or any other evidence of indebtedness, secured or unsecured;*
31 *or*]

1 [(B) Any shares of stock in corporations, joint stock companies or associ-
2 ations.]

3 (10) "Property having situs in this state" means all property, real and
4 personal, of a company, owned, leased, used, operated or occupied by it and
5 situated wholly within this state, and, as determined under ORS 308.550 and
6 308.640, the proportion of the movable, transitory or migratory personal
7 property owned, leased, used, operated or occupied by a company, including
8 but not limited to watercraft, aircraft, rolling stock, vehicles and con-
9 struction equipment, as is used partly within and partly outside of this state.

10 (11) "Small private railcar company" means a private railcar company
11 with personal property with a real market value for the tax year that does
12 not exceed \$1 million.

13 (12) "Transportation" means carrying, conveying or moving passengers or
14 property from one place to another.

15 (13) "Vehicle" means any wheeled or tracked device used in transporta-
16 tion under, on or in connection with the physical surface of the earth.

17 **SECTION 2.** ORS 307.030 is amended to read:

18 307.030. (1) All real property within this state and all tangible personal
19 property situated within this state, except as otherwise provided by law,
20 shall be subject to assessment and taxation in equal and ratable proportion.

21 (2) [*Except as provided in ORS 308.505 to 308.665,*] Intangible personal
22 property is not subject to assessment and taxation.

23 **SECTION 3.** **The amendments to ORS 307.030 and 308.505 by sections**
24 **1 and 2 of this 2015 Act apply to property tax years beginning on or**
25 **after July 1, 2015.**

26 **SECTION 4.** **This 2015 Act takes effect on the 91st day after the date**
27 **on which the 2015 regular session of the Seventy-eighth Legislative**
28 **Assembly adjourns sine die.**

29