

**REVENUE IMPACT OF
PROPOSED LEGISLATION
Seventy-Eighth Oregon Legislative
Assembly
2015 Regular Session
Legislative Revenue Office**

Bill Number:	SB 571 - 1
Revenue Area:	Property Tax
Economist:	Kyle Easton
Date:	2/10/2015

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

Measure Description:

Clarifies that a company that is an owner or lessee of a data center is not a centrally assessed property under ORS 308.515 if certain conditions are met. The conditions are that the company owns, leases or uses a data center as defined in 308.516 and the original cost of construction and installation of real and tangible personal property used by the company in the business of communication unrelated to the company's data centers, does not equal more than ten percent of the original cost of the real and tangible personal property of all data centers owned, leased or used by the company in Oregon. Describes legislative intent. Applies to property tax years beginning on or after July 1, 2015.

The revenue impact of this measure is indeterminate for the following reasons:

This bill could potentially affect the property tax liability of communication companies operating data centers used in their communications business. No known companies are expected to be impacted as communication data centers are not currently subject to central assessment if located within an enterprise zone. Potential impacts could exist as enterprise zone exemptions expire and new data center property is built, but inclusion in central assessment would be dependent upon the data center being used for communication purposes.

Creates, Extends, or Expands Tax Expenditure: No