

**Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session**  
**PRELIMINARY STAFF MEASURE SUMMARY**  
**Senate Committee On Finance and Revenue**

**MEASURE: SB 903**

**Fiscal:** May have fiscal impact, but no statement yet issued  
**Revenue:** May have revenue impact, but no statement yet issued

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**Action Date:**

**Action:**

**Meeting Dates:**

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**WHAT THE MEASURE DOES:**

Repeals the sunset of the law authorizing school districts to impose local construction taxes.

**ISSUES DISCUSSED:**

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

A school district may impose a tax on a new construction in the district. This is the taxing authority that the 2007 Legislature granted to school districts. The tax rate cannot exceed \$1 per square foot for residential use and \$0.50 for nonresidential use. The maximum rates are indexed beginning in 2009. The tax on nonresidential use is also restricted to \$25,000 per structure or building permit, whichever is less. The legislation exempted certain properties from this tax. In the school year 2012-13, 56 school districts used this option, raising a total of \$15.5 million. School districts are to use revenues from this tax only for capital improvements. This taxing authority is repealed on January 2, 2018.