

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

**Bill Number: HB 2128
Revenue Area: Property Tax
Economist: Kyle Easton
Date: 4/1/2015**

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

Measure Description:

Establishes personal liability of lessee for property taxes related to property leased from tax exempt U.S., state or local government owner. Provides counties with means of collecting unpaid taxes from person and person's real and personal property. Requires county clerk to immediately issue writs of attachment on application by tax collector or district attorney for the county as plaintiff.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2015-16	2016-17	2015-17	2017-19	2019-21
Local Government	>.1	.1	.1	.1	.1
Local Education Districts	>.1	.1	.1	.1	.1
Total Revenue Reduction	.1	.1	.2	.2	.2

Impact Explanation:

The revenue impact estimate is based upon information provided by county assessors detailing the current outstanding delinquent tax amounts related to property transactions that would fall under the purview of the measure. It is expected that the requirements in the bill would cause most taxes to be paid on property leased from exempt government owners to taxable entities. Under current law, instances occur where taxes associated with property leased from exempt government owners to taxable entities are not being paid, especially at times where a lease ends or is discontinued, at which point the property returns to exempt status leaving counties without the ability to foreclose and collect delinquent taxes.

The revenue impact displays a steady positive revenue stream, however data suggests that positive revenues would be more sporadic as large unpaid property leases occur more irregularly. The revenue impact reflects an averaged impact over future biennia.

Creates, Extends, or Expands Tax Expenditure: Yes No