

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Revenue

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

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

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

Imposes severance tax of \$20 per thousand feet, board measure on the harvest of timber from forestlands in Oregon to fund income tax credit for the milling of logs in Oregon. Directs that revenues from this severance tax fund the

- Oregon Forest Land Protection Fund at \$3 per thousand board feet
- The Residential Solid Fuel Heating and Air Quality Improvements Fund at \$3 per thousand board feet
- The Watershed Conservation Grant Fund at \$3 per thousand board feet
- The General Fund to pay for the Biomass Production Tax Credit at \$3 per thousand board feet or the cost of the credit, whichever is less
- The General Fund to pay for the credit for milling of logs in Oregon
- Counties according to their harvest

Creates a \$3 per thousand board feet tax credit for the milling of logs in Oregon to less than 12 inches in diameter.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

This would be a new harvest tax on timber harvested in the state. Currently, the existing Forest Harvest Product Taxes total \$3.5316 per thousand board feet.