

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Revenue

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

Sub. Referrals: House Committee On Rules

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

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

Submits to the people for their approval or rejection proposed amendment to Oregon Constitution to be voted on at next primary election. Proposed amendment would require permanent limit on rate of ad valorem property taxes imposed by a county to not be less than \$2.00 per thousand of assessed value (AV). Requires county taxing district to impose not less than \$2.00 per thousand dollars in AV of district operating taxes. Removes application of constitutional limits contained in Article XI, section 11b (Measure 5 limits) from applying to first \$2.00 per thousand county operating taxes. If necessary, requires compression of county local option taxes first, followed by permanent taxes. Applies to property tax years beginning on or after July 1, 2016.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

Before Measure 50, local governments and voters set levies, and tax rates were the result of dividing levies by assessed value. Under Measure 50, permanent tax rates replaced most levies, making the permanent rates central to the property tax system. District permanent rates were established based upon district tax levy amounts being levied at the time. District permanent rates are fixed and cannot be increased without a constitutional amendment.