

PRELIMINARY STAFF MEASURE SUMMARY

Senate Committee On Finance and 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:

Prepared By: Kyle Easton, Economist

WHAT THE MEASURE DOES:

Modifies provisions allowing for optional reduced rates of personal income tax on nonpassive income. Expands availability to all pass-through entities. Adjusts rate thresholds using consumer price index. Provides for estimate forming basis of possible rate adjustment to be performed using provisions as modified in Act. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

-1 Replaces Content of Measure

Allows county, by ordinance or resolution, to exempt first \$250,000 of assessed value of homesteads of surviving spouses of a fire service professional or police officer killed in the line of duty. Applies exemption to all taxes, fees, charges and assessments imposed on homesteads located in the county. Defines homestead as real or personal property that is an owner-occupied primary residence. Requires surviving spouse seeking exemption to file application prescribed by Department of Revenue with county assessor on or before April 1 of the year preceding the first property tax year for which the exemption is sought. Requires specific information to be included on application. Takes effect on 91st day following adjournment sine die.

BACKGROUND:

The measure as amended allows but does not require counties to provide an exemption. As the measure is permissive, no direct revenue impact exists.

In the previous 50 years, about 9,000 police officers were killed in the line of duty nationwide. Since records began being kept in 1791, 175 police officers were killed in the line of duty in Oregon. Since 1977, about 4,300 firefighters nationwide have been killed in the line of duty.

On average, the property tax imposed upon \$250,000 in assessed value would be about \$4,000.