

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

**Bill Number: HB 3492  
Revenue Area: Property Tax  
Economist: Kyle Easton  
Date: 3/25/2015**

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

**Measure Description:**

Requires county, upon request of owner of solar project, to enter into agreement, for period not to exceed 20 years, pursuant to which property constituting solar project is exempt from property taxation and owner pays fee in lieu of taxes.

**Revenue Impact (in \$Millions):**

This statement is solely issued to facilitate the referral of this measure to the House Committee on Revenue.

**Impact Explanation:**

Measure establishes property tax exemption for property of solar project and requires fee in lieu of property taxes. Fee is computed at rate of \$7,000 per megawatt of nameplate capacity of the project for each property tax year with proceeds from fee being distributed to taxing districts within the county according to the percentage schedule.

The impact on property tax revenues for local taxing districts would be the difference between applying property taxes in accordance with current law as compared to revenue received resulting from fee calculation. As exemption only becomes effective at the request of solar project owner, it is assumed request would only be made in instances where alternative fee results in less cost to solar project owner.

This measure has a subsequent referral to the House Revenue Committee. A more complete revenue impact statement will be developed at that time.

**Creates, Extends, or Expands Tax Expenditure: Yes  No**

**Further Analysis Required**