

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

<b>Bill Number:</b>	<b>HJR 21</b>
<b>Revenue Area:</b>	<b>Property Tax</b>
<b>Economist:</b>	<b>Kyle Easton</b>
<b>Date:</b>	<b>6/11/2015</b>

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

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**The revenue impact of this measure is indeterminate for the following reasons:**

The resolution as amended would submit to the people for their approval or rejection at a special election held throughout the state on the same date as the next primary election an amendment to the Oregon Constitution. As this joint resolution submits the proposed constitutional amendment to the people for their approval or rejection, no direct impact on property tax revenue exists. Under procedures established in ORS 250.125 and 250.127, a financial impact committee is created for each state measure submitted to the ballot through the initiative and referendum processes. For this reason, an impact upon revenues if this joint resolution was adopted is not included.

The constitutional amendment would require the 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. County taxing districts that are imposing less than \$2.00 per thousand in combination of permanent and local option taxes will be required to increase imposed permanent taxes until not less than \$2.00 per thousand dollars in combined taxes (permanent + local option) is being imposed. This will result in increased property tax revenue for county taxing districts that are currently imposing less than \$2.00 per thousand of combined permanent and local option taxes.

The constitutional amendment would also remove the first \$2.00 per thousand imposed by county taxing districts from constitutional tax limits (Measure 5 tax limits). This component of the amendment would have two effects that could lead to increased property tax revenues for non-education related districts and levies. The first effect would be to allow county taxing districts to impose \$2.00 per thousand without any loss to compression. The second effect would result from removing the first \$2.00 of county imposed taxes from the general government constitutional taxing limit of \$10.00 per thousand. This could potentially reduce compression loss for all general government taxing districts.