

House Bill 2246

Sponsored by Representative WILSON (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs counties to recover costs of property tax assessment and collection from taxing districts. Sets limit of two percent of amount by which current tax collections exceed tax collections for prior fiscal year.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to county expenditures for property tax assessment; creating new provisions; amending
3 ORS 311.390; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 311.390 is amended to read:

6 311.390. (1)[(a)] When the tax collector receives the assessor's certificate pursuant to ORS
7 311.115, the tax collector shall prepare and file with the county treasurer a percentage schedule of
8 the ratio of taxes on property, as defined in ORS 310.140, and other amounts to be collected, after
9 reductions necessary to comply with **Article XI**, section 11b, [*Article XI*] of the Oregon Constitu-
10 tion, after making adjustments in accordance with ORS 311.105 (1)(c), for each governmental unit
11 as shown in such certificate, compared to the total of each of those amounts.

12 **(2)(a) Before the tax collector prepares the percentage schedule under subsection (1) of**
13 **this section, the tax collector shall:**

14 **(A) Subtract from the county's actual expenditures for assessment and taxation for the**
15 **prior fiscal year all funds received by the county from the County Assessment Function**
16 **Funding Assistance Account under ORS 294.178 during the four quarters of the prior fiscal**
17 **year;**

18 **(B) Deduct the amount of the difference computed under subparagraph (A) of this para-**
19 **graph from the total amount to be collected under subsection (1) of this section for all gov-**
20 **ernmental units within the county, other than the county; and**

21 **(C) Add the amount of the difference computed under subparagraph (A) of this paragraph**
22 **to the amount to be collected for the county under subsection (1) of this section.**

23 **(b)(A) For purposes of preparing the percentage schedule, the tax collector shall allocate**
24 **to the governmental units within the county the amount deducted under paragraph (a)(B)**
25 **of this subsection in proportion to each governmental unit's share of the amounts to be**
26 **collected under subsection (1) of this section for total taxes imposed by all governmental**
27 **units other than the county.**

28 **(B) Notwithstanding subparagraph (A) of this paragraph, the amount allocated to a gov-**
29 **ernmental unit under this paragraph may not exceed two percent of the amount by which**
30 **the amount to be collected for the governmental unit for the current fiscal year exceeds the**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **amount collected for the governmental unit for the prior fiscal year.**

2 [(b)] (3) If a tax supervising and conservation commission has submitted to the tax collector a
 3 list of municipal corporations subject to proration and the amounts prorated under ORS 294.632,
 4 before the tax collector calculates the ratio of taxes on property under [this] subsection (1) of this
 5 **section**, the tax collector shall deduct the amounts submitted by the tax supervising and conserva-
 6 tion commission from the amounts scheduled for distribution under this section for municipal cor-
 7 porations subject to the jurisdiction of the tax supervising and conservation commission. The
 8 amount deducted from the distribution to the municipal corporations shall be added to the amount
 9 distributed to the county.

10 [(c)] (4) The **percentage** schedule [shall] **must** be approved by the county accountant, if one
 11 exists in the county, or by the county clerk before filing.

12 (5) Except as provided in subsections [(2) and (3)] (6) and (7) of this section, the distribution
 13 of collections by the tax collector shall be made on the basis of the ratios computed pursuant to this
 14 section. The ratios computed pursuant to this section for a given fiscal year shall be used for the
 15 distribution of all taxes on property or penalties that have been imposed, collected and received for
 16 that fiscal year, regardless of the actual date of receipt, except for moneys retained by a county to
 17 pay bankruptcy costs under ORS 311.484. Interest earned on moneys in the unsegregated tax col-
 18 lections account shall be distributed according to the ratio applicable to the year in which the
 19 moneys are distributed.

20 [(2)] (6) If, after the ratios are computed pursuant to this section, the amount of a levy or other
 21 tax on property is changed, or a levy or other tax on property is filed with the assessor pursuant
 22 to ORS 310.060 that had not been included in the tax distribution schedule for that year, the tax
 23 collector shall revise the percentages provided in subsection (1) of this section to reflect the cor-
 24 rected or added levy or tax and shall adjust the amounts previously distributed and to be distributed
 25 thereafter to reflect the revision in percentages.

26 [(3)] (7) If, in the opinion of the tax collector, it is not feasible to make the revisions described
 27 in subsection [(2)] (6) of this section, the tax collector shall treat the amount of the change in levy
 28 or tax or the additional levy or tax as a separate tax collection and segregate the moneys collected
 29 for the particular district or districts in the periodic statement of tax collections given to the county
 30 treasurer pursuant to ORS 311.395.

31 [(4)] (8) If the percentage schedule is revised, a copy shall be filed with the county treasurer
 32 after approval by the county accountant, if one exists in the county, or by the county clerk.

33 [(5)] (9) If, after the ratios are computed under this section, a levy or tax is changed or a levy
 34 or tax is filed with the assessor pursuant to ORS 310.060, that was not included in the tax distrib-
 35 ution schedule for that year, future distributions of interest shall be based on the revised percent-
 36 ages that reflect the corrected or added levy or tax. No adjustments shall be made for previously
 37 distributed interest.

38 **SECTION 2. The amendments to ORS 311.390 by section 1 of this 2015 Act apply to fiscal**
 39 **years beginning on or after July 1, 2016.**

40 **SECTION 3. This 2015 Act takes effect on the 91st day after the date on which the 2015**
 41 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**