

Senate Bill 630

Sponsored by COMMITTEE ON FINANCE AND REVENUE

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**.

Provides, for purposes of central assessment, that property of company subject to central assessment does not include intangible property.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to intangible property; creating new provisions; amending ORS 307.030 and 308.505; and
3 prescribing an effective date.

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

5 **SECTION 1.** ORS 308.505 is amended to read:

6 308.505. As used in ORS 308.505 to 308.665:

7 (1) "Car" or "railcar" means a vehicle adapted to the rails of a railroad.

8 (2) "Centrally assessed" means the assessment of property by the Department of Revenue under
9 ORS 308.505 to 308.665.

10 (3) "Communication" includes telephone communication and data transmission services by
11 whatever means provided.

12 (4) "Inland water" means all water or waters within the State of Oregon, all interstate rivers
13 touching Oregon and all tidewaters extending to the ocean bars.

14 (5) "Interstate" means transit between the State of Oregon and:

15 (a) Another state;

16 (b) A district, territory or possession of the United States; or

17 (c) A foreign country.

18 (6) "Large private railcar company" means a private railcar company with personal property
19 with a real market value for the tax year that exceeds \$1 million.

20 (7) "Locally assessed" means the assessment of property for property tax purposes by the county
21 assessor that is not conducted under ORS 308.505 to 308.665.

22 (8) "Person," "company," "corporation" or "association" means any person, group of persons,
23 whether organized or unorganized, firm, joint stock company, association, cooperative or mutual
24 organization, people's utility district, joint operating agency as defined in ORS 262.005, syndicate,
25 entity formed to partner or combine public and private interests, partnership or corporation engaged
26 in performing or maintaining any business or service or in selling any commodity as set forth in
27 ORS 308.515, whether or not the activity is pursuant to any franchise and whether or not the person
28 or other entity or combination of entities possesses characteristics of limited or unlimited liability.

29 (9) "Property":

30 (a) Means all property of any kind, whether [*real, personal, tangible or intangible*] **real property**
31 **or tangible personal property**, that is used or held by a company as owner, occupant, lessee or

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 otherwise, for the performance or maintenance of a business or service or for the sale of a com-
 2 modity, as described in ORS 308.515;

3 (b) Includes, but is not limited to, the lands and buildings, rights of way, roadbed, water powers,
 4 vehicles, cars, rolling stock, tracks, office furniture, telephone and transmission lines, poles, wires,
 5 conduits, switchboards, machinery, appliances, appurtenances, docks, watercraft irrespective of the
 6 place of registry or enrollment, merchandise, inventories, tools, equipment, machinery, [*franchises*
 7 *and special franchises,*] work in progress and all other goods or chattels; and

8 (c) Does not include [*items of*] intangible property [*that represent:*].

9 [(A) *Claims on other property, including money at interest, bonds, notes, claims, demands or any*
 10 *other evidence of indebtedness, secured or unsecured; or*]

11 [(B) *Any shares of stock in corporations, joint stock companies or associations.*]

12 (10) "Property having situs in this state" means all property, real and personal, of a company,
 13 owned, leased, used, operated or occupied by it and situated wholly within this state, and, as de-
 14 termined under ORS 308.550 and 308.640, the proportion of the movable, transitory or migratory
 15 personal property owned, leased, used, operated or occupied by a company, including but not limited
 16 to watercraft, aircraft, rolling stock, vehicles and construction equipment, as is used partly within
 17 and partly outside of this state.

18 (11) "Small private railcar company" means a private railcar company with personal property
 19 with a real market value for the tax year that does not exceed \$1 million.

20 (12) "Transportation" means carrying, conveying or moving passengers or property from one
 21 place to another.

22 (13) "Vehicle" means any wheeled or tracked device used in transportation under, on or in
 23 connection with the physical surface of the earth.

24 **SECTION 2.** ORS 307.030 is amended to read:

25 307.030. (1) All real property within this state and all tangible personal property situated within
 26 this state, except as otherwise provided by law, shall be subject to assessment and taxation in equal
 27 and ratable proportion.

28 (2) [*Except as provided in ORS 308.505 to 308.665,*] Intangible personal property is not subject
 29 to assessment and taxation.

30 **SECTION 3. The amendments to ORS 307.030 and 308.505 by sections 1 and 2 of this 2015**
 31 **Act apply to property tax years beginning on or after July 1, 2015.**

32 **SECTION 4. This 2015 Act takes effect on the 91st day after the date on which the 2015**
 33 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**