

**REVENUE IMPACT OF
PROPOSED LEGISLATION
78th Oregon Legislative Assembly
2016 Regular Session
Legislative Revenue Office**

Bill Number:	HB 4084 - A
Revenue Area:	Property exemption
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Date:	02-26-2016

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

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

The measure gives the governing body of local government the authority to adopt a program with time length and process for the tax treatment of brownfields properties. The number of local governing bodies who (agree at the 75% level of taxing districts) are likely to take advantage of this measure is not known. Furthermore they will have a choice of property tax incentives. Whether they choose exemption from taxes or special assessment of value or both will depend on what the local government sees more conducive to its own circumstances. After that the number of properties that will take up and exercise this new offering of this new provision is also not known.

However, this measure is expected to contribute in creating a market for the brownfields properties and help in allowing for the cleanup and mitigation of these properties. By providing a level of incentive (based on property tax) a new market segment will be created and that will allow a whole layer of that block of properties that otherwise is not easy to move to become included and reintroduced in the market for commercial property. The result that can be expected after 10 to 15 years of tax reductions and incentives, is that a number of properties might be reintroduce to the tax rolls (after being developed and cleaned up). These properties have not been considered previously taxable at normal levels when they were frozen by their contamination and lack of incentive to clean up and decontaminate.