

Testimony of Casey Wheeler, Columbia Pacific Food Bank

SB181

May 9, 2017

House Committee on Revenue

Columbia Pacific Food Bank opposes the passage of SB181.

Columbia Pacific Food Bank is a registered 501(c) (3) nonprofit organization that does important work in Columbia County.

We are the regional food bank for Columbia County and distribute food to 35 different distribution points in the county. We also operate the food pantry in St. Helens, the mobile pantry in Mist-Birkenfeld and the Brown Bag program in St. Helens.

SB 181 is a bill that is intended to raise revenue at the expense of reducing services to those who are in need. If we were somehow “trapped” by this bill, every dollar we would pay in property taxes is three less meals for those who are hungry.

We do not believe it is in the best interest of the government or the people of Oregon to ask nonprofits to provide annual reporting that will determine property tax exemption status and potentially harm the important work they do in our community. Charitable nonprofits should only need to file their paperwork with the government at the time they seek their charitable property tax exemption and should not be put in the position of defending their charity every year so that tax assessors can interpret the current laws differently depending on the financial position of the county or state.

If the existing law is too vague for County Tax Assessors to make accurate determinations, the legislature should first clarify the existing statute on what qualifies for property tax exemption status, before passing new burdensome requirements for nonprofits.

Creating or clarifying these “bright lines” is essential to the new reporting regime proposed for SB181 to be successful. Our belief is that the cart is in front of the horse on this issue. SB181 is creating a new reporting requirement that will leave the statute unclear and individual county tax assessors will continue to interpret that statute using their own ideas of eligibility. Even the Legislative Revenue Office suggested the creation of bright lines in [their recent report](#) on the issue in Section VIII – Nonprofit Reporting and “Bright Lines.”

We believe the result of passing SB181 without first clarifying the bright lines will create massive confusion between nonprofits and tax assessors, overwhelm both of them and inadvertently cause nonprofits to lose their tax exempt status based on interpretations that may not be fair, valid or are inconsistent.

It is for these reasons that we ask this committee to vote against the passage of SB181.