

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
79th Oregon Legislative Assembly  
2017 Regular Session  
Legislative Revenue Office

**Bill Number:** HB 2760  
**Revenue Area:** Property Taxes  
**Economist:** Kyle Easton  
**Date:** 5/31/2017

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

**Measure Description:**

Extends sunset of property tax exemption for alternative energy systems from tax years beginning after July 1, 2017 to tax years beginning after July 1, 2023.

**Revenue Impact (in \$Millions):**

	Fiscal Year		Biennium		
	2017-18	2018-19	2017-19	2019-21	2021-23
<b>Local Governments</b>	N/A	(0.7)	(0.7)	(1.7)	(2.1)
<b>Local Education Districts</b>	N/A	(0.6)	(0.6)	(1.4)	(1.7)
<b>Total Revenue Change</b>	N/A	(1.3)	(1.3)	(3.1)	(3.9)

**Impact Explanation:**

Estimated impact upon property tax revenue is based upon annual reporting by county assessors. Projected growth in revenue loss is based upon recent trends in exemption reporting. Recent and prospective investments in alternative energy systems that offset onsite electricity use by data centers could increase estimated loss figures in later years. However, this alternative energy property is often exempt under other property tax exemption statutes and therefore is not included in statement's impact projections.

**Creates, Extends, or Expands Tax Expenditure:**      Yes  No

The policy purpose of this measure is to extend the sunset of the property tax exemption related to alternative energy systems property with the underlying purpose of alleviating a potential disincentive of investing in an alternative energy system due to the levying of property taxes upon the alternative energy system.