



THE NONPROFIT
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OREGON

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VOTE NO ON SB181

Save Nonprofits in Our Communities!

Background: The nonprofit sector works across Oregon to create and maintain our vibrant civil society. Nonprofits elevate our communities and serve community identified needs and passions of our citizens. Nonprofits are well aware of how precious resources are and acknowledge their responsibility to be good stewards of the resources they receive through their tax-exempt status. Oregon nonprofits accomplish incredible achievements with limited resources and count on their tax exempt status, including their property tax exemptions, to serve their missions.

Dozens of nonprofits across Oregon provided testimony *opposed* to SB181. Sadly, obfuscation and confusion are being used as a tactic by proponents to insist that this bill has no impact on nonprofits and no opposition. (A quick check of the bill hearing materials clarifies that issue.)

SB181 is a poorly designed bill that looks innocuous, but will have long-lasting, negative impacts on nonprofits and communities. The extra layer of reporting bureaucracy created by SB181 is duplicative of forms 990 and CT-12 and burdensome to charitable nonprofits. Individual county tax assessors will be allowed to interpret the current, unclear laws using their own ideas of eligibility for exemption.

Proponents of this bill admitted in testimony on May 9 that one of their agendas for this bill is to disqualify certain nonprofit organizations that they personally do not believe should meet charitable exemption status. Nonprofits as diverse as hospitals and feral cat organizations were named as the targets of their aggression!

It is clear that the passage of SB181 will have a big impact on a large number of nonprofits that may lose their property tax-exempt status based on interpretations that may not be fair or valid, or are inconsistent. There are particular concerns for smaller rural, culturally specific and all volunteer nonprofits.

Before asking for more reporting, create the "bright lines!" The Legislative Revenue Office (LRO) published a "Review of Oregon's Property Tax Exemption for Literary, Charitable and Scientific Institutions" on February 13, 2017 in which the LRO states: "A consistent theme when discussing Oregon's property tax exemption provided by ORS 307.130 - Literary, Charitable and Scientific Organizations, is the lack of "bright lines" applicable in determining exemption qualification."

Please Vote NO on SB181 and Save Our Local Community Nonprofits!