

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

**Bill Number: SB 936 - A
Revenue Area: Property Taxes
Economist: Kyle Easton
Date: 4/20/2017**

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

Measure Description:

Measure makes changes to Strategic Investment Program. Measure as amended increases taxable portion of property of an eligible project located in a rural area for eligible projects first determined to be eligible on or after July 1, 2017 (detailed in table below). Increases maximum local government fee that may be imposed to support community services to \$2.5 million from \$2 million or \$500 million in non-rural and rural areas respectively.

	Existing Law	Proposed Changes in SB 936-1
Initial Taxable Portion of Eligible Property's Real Market Value in Rural Area	\$25 million for all eligible projects in rural areas	\$25 million if total cost of project ≤ \$500 million \$50 million if: \$500M < total cost of project ≤ \$1 billion \$100 million if total cost of project > \$1 billion

Revenue Impact (in \$Millions):

Changes contained in measure would increase the taxable portion of eligible projects receiving property tax exemption under the Strategic Investment Program if the project is located in a rural area and total cost of project exceeds \$500 million. Depending upon the total cost of the eligible project, changes contained in measure would reduce property tax exemption amount.

Impact Explanation:

This measure has a subsequent referral to the Senate Finance and Revenue Committee. A more complete revenue impact statement will be developed at that time.

Creates, Extends, or Expands Tax Expenditure: Yes No

Further Analysis Required