

HB 2022 STAFF MEASURE SUMMARY
Senate Committee On Finance and Revenue

Carrier: Sen. Baertschiger Jr

Action Date: 06/20/17
Action: Do pass.
Vote: 5-0-0-0
Yeas: 5 - Baertschiger Jr, Boquist, Hass, Riley, Taylor
Fiscal: No fiscal impact
Revenue: Revenue impact issued
Prepared By: Mazen Malik, Senior Economist

WHAT THE MEASURE DOES:

Excludes volumetric mixers from definition of "fixed load vehicle".

ISSUES DISCUSSED:

- Differences between the type of work done by these machines.
- Why is it not subject to property tax, and why that needs to be specified in law.
- Exemptions of vehicles that pay into the Highway fund.

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Current law defines fixed load vehicles as those vehicles that support or move a permanent load in the form of equipment constructed as part of or permanently attached to the body of the vehicle. ORS 803.585 specifies that vehicles are exempt from ad valorem taxation as they pay registration and transportation taxes, however, Fixed load vehicles are not exempt from that taxation and are taxed under ORS 307.030. The fixed load vehicles statutes specifically exempt a number of vehicles such as transit mixer. Historically, a truck-mounted transit mixer (cement truck) has been exempt from the definition of fixed load vehicle. Other exemptions include travel trailers, self-propelled mobile cranes, and tow vehicles. Volumetric mixers are a relatively new configuration that serves the same, or similar, function as a cement truck. Counties were not clear on their treatment of this type of equipment, County assessors need the clarity in law to be able to apply or exempt from property tax those kind of providers. Thus, by excluding these vehicles from the fixed load definition, it means that they are not subject to property tax, but they will pay transportation taxes.