

# D R A F T

## SUMMARY

Extends privilege taxes on merchantable forest products harvested on forestlands.

### A BILL FOR AN ACT

Relating to forest products harvest taxation; amending ORS 321.015; prescribing an effective date; and providing for revenue raising that requires approval by a three-fifths majority.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 321.015 is amended to read:

321.015. (1) For the calendar [*years*] **year** beginning January 1, **2022**, [*2020, and January 1, 2021,*] there is levied a privilege tax of [*90.00*] \_\_\_\_\_ cents per thousand feet, board measure, upon taxpayers for the privilege of harvesting of all merchantable forest products harvested on forestlands. Subject to ORS 321.145, the proceeds of the tax shall be transferred as provided in ORS 321.152 (2) to the Forest Research and Experiment Account for use for the forest resource research, experimentation and studies described in ORS 526.215 and for the Forest Research Laboratory established under ORS 526.225.

(2) Except as provided in ORS 477.760, in addition to the tax levied by subsection (1) of this section, there is levied a forest products harvest tax upon taxpayers of [*62.5*] \_\_\_\_\_ cents per thousand feet, board measure, for the privilege of harvesting all merchantable forest products harvested on forestlands for the payment of benefits related to fire suppression as provided in ORS 321.005 to 321.185, 321.560 to 321.600 and 477.440 to 477.460.

(3) For the calendar [*years*] **year** beginning January 1, **2022**, [*2020, and January 1, 2021,*] in addition to the taxes levied under subsections (1) and (2) of this section, there is levied a privilege tax upon taxpayers for the privilege of harvesting all merchantable forest products harvested on forestlands in the amount of [*138.72*] \_\_\_\_\_ cents per thousand feet, board measure, for the purpose of administering the Oregon Forest Practices Act in an amount not to exceed 40 percent of the total expenditures approved by the Legislative Assembly for this purpose, including salary adjustments approved by the Legislative Assembly for fiscal [*years 2020 and 2021*] **year 2022**.

(4) For the calendar [*years*] **year** beginning January 1, **2022**, [*2020, and January 1, 2021,*] in addition to the taxes levied by subsections (1) to (3) of this section, there is levied a privilege tax of [*10*] \_\_\_\_\_ cents per thousand feet, board measure, upon taxpayers for the privilege of harvesting all merchantable forest products harvested on forestlands. Subject to ORS 321.145, the proceeds of the tax shall be transferred as provided in ORS 321.152 (5) to the subaccount established pursuant to ORS 350.520 for use by Oregon State University for the purpose of making investments in professional forestry education at the College of Forestry.

(5) Subject to subsection (6) of this section, the taxes shall be measured by and be applicable to each per thousand feet, board measure, on the total quantity of forest products harvested in this state measured by use of any log scale which is or may be in general use in the logging industry and which is designed to measure total volume of merchantable forest products in board feet. However, if the Department of Revenue finds that the scale used by any taxpayer in computing the taxes due under ORS 321.005 to 321.185 and 321.560 to 321.600 does not accurately reflect the total quantity of merchantable forest products harvested by the taxpayer, it may require the taxpayer to adopt another log scale in general use in the industry which in the department's opinion will accurately reflect merchantable harvest in board feet.

(6) The first 25,000 feet, board measure, of forest products harvested an-

1 nually by any taxpayer during each calendar year shall be excluded from the  
2 total quantity of harvested forest products that constitutes the measure of  
3 the taxes under ORS 321.005 to 321.185 and 321.560 to 321.600.

4 **SECTION 2. This 2021 Act takes effect on the 91st day after the date**  
5 **on which the 2021 regular session of the Eighty-first Legislative As-**  
6 **sembly adjourns sine die.**

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