

HB 2684 A STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Meeting Dates: 5/14

WHAT THE MEASURE DOES:

Repeals property tax exemption that exists under ORS 308.677 for company that builds, maintains and operates project constituting gigabit communication services infrastructure. Provides a that for the property tax year 2019-2020 only, the eligible company's intangible property will be assessed at 75% of real market value. Applies to property tax years beginning on or after July 1, 2019.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

As part of an incentive to attract high speed internet to the state, the legislature passed SB 611 in 2015. The property tax exemption created in statute from that bill exempts the intangible personal property of broadband companies providing symmetrical gigabit service that qualify through the Oregon Public Utility Commission (OPUC) and the Department of Revenue. Originally Google, Comcast and Frontier applied for the exemption through the OPUC. Google never developed gigabit infrastructure here, and as part of a settlement with the Department of Revenue, Comcast agreed not to pursue the exemption. Frontier remains the sole qualifying applicant. Statewide gigabit symmetric gigabit infrastructure has not materialized. This bill would repeal the exemption going forward.