

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
80th Oregon Legislative Assembly
2019 Regular Session
Legislative Revenue Office

Bill Number:	HB 2684
Revenue Area:	Property Tax
Economist:	Jaime McGovern
Date:	04/02/2019

Only Impacts on Original or Engrossed Versions are Considered Official

Measure Description:

Repeals exemption for property of company that builds, maintains and operates project constituting certain communication services infrastructure.

Revenue Impact (in \$Millions):

	Biennium		
	2019-21	2021-23	2023-25
Local Governments	\$3.1	\$3.3	\$3.5
Local Education Districts	\$2.2	\$2.3	\$2.5
Total Revenue Change	\$5.3	\$5.6	\$6.0

Impact Explanation:

Current statute provides a property tax exemption to a broadband service provider in perpetuity. This revenue estimate is constructed considering the only company that is current qualified to receive the exemption. The impact would increase based on the size and number of companies that may apply for and receive this exemption in the future. The passage of this bill would eliminate the property tax exemption for the 2019-2020 and all future tax years. Therefore, the revenue increase in the table above represent the value of the tax exemption for the currently approved company.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure is to eliminate a property tax exemption program that has not functioned as intended.