

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
79th Oregon Legislative Assembly
2018 Regular Session
Legislative Revenue Office

Bill Number:	HB 2699 A
Revenue Area:	Property Tax
Economist:	Jaime McGovern
Date:	05/21/2019

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

Measure Description:

Modifies brownfield property tax incentive law to specify that a brownfield property granted property tax benefits under the law may also be granted any other special assessment, exemption, or partial exemption for which the property is eligible. Prohibits total amount of all special assessments, exemptions, and partial exemptions granted to property from reducing property tax liability to below zero. Requires city, county, or port to specify in ordinance or resolution how multiple property tax benefits will be applied and to notify county assessor of intended application.

Revenue Impact:

The revenue impact will be negative. However, the magnitude is unknown. The bill provides for a property tax exemption which is currently not allowed. In particular, the bill allows for the property owner to receive a tax exemption under this program in addition to property tax exemptions from other programs and special assessments.

Impact Explanation:

The revenue impact of HB 4084 (2016) which enacted this program described the loss in tax revenue from the exemption and the potential increase of value on the roll after 10 or 15 years, when the property returned to the roll. With this additional tax relief from the current bill, a property, for example could receive up to 15 years of property tax exemption under the brownfields program, and at the same time receive a property tax exemption for land held for low income housing. Then, when the property was remediated, the property may start receiving a tax exemption for low income housing. In this case, the property may remain off the roll, in excess of 25 years. When the property comes back on the roll, it would come on at its improved and currently assessed value.

Current statute requires a property owner to choose between the brownfield tax exemption program and other tax exemption programs.

Creates, Extends, or Expands Tax Expenditure: Yes No