

House Bill 2161

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires hospitals and health clinics to include with claim for charitable property tax exemption report of amount spent on charitable care and all compensation paid to individual director, officer, employee or agent that exceeded \$1 million. Limits amount of property taxes saved due to exemption to amount spent on charitable care, reduced by sum of all amounts of compensation reported in excess of \$1 million.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to tax policy with respect to certain health care entities; and prescribing an effective date.

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

4 **SECTION 1. (1) As used in this section, "compensation" means wages, salaries, bonuses,**
5 **commissions, stock options or any other form of remuneration paid to or accrued by an in-**
6 **dividual in return for personal services rendered to a hospital or health clinic.**

7 **(2) Notwithstanding ORS 307.130, property of a hospital or health clinic that would oth-**
8 **erwise be eligible for the property tax exemption granted under ORS 307.130 may be granted**
9 **the exemption only under the terms set forth in this section.**

10 **(3) The hospital or health clinic must include with the claim for exemption under ORS**
11 **307.130 required under ORS 307.162 a report stating:**

12 **(a) The amount the hospital or health clinic spent on charitable care in the previous**
13 **12-month period; and**

14 **(b) The following information with respect to compensation paid to an individual director,**
15 **officer, employee or agent of the hospital or health clinic that exceeded \$1 million for the**
16 **immediately preceding calendar year:**

17 **(A) The name and title of each director, officer, employee or agent so compensated; and**

18 **(B) The amount of the compensation paid to each such director, officer, employee or**
19 **agent.**

20 **(4)(a) If property of the hospital or health clinic is granted exemption under ORS 307.130**
21 **for any property tax year, subject to paragraph (b) of this subsection, the amount of property**
22 **taxes saved due to the exemption may not exceed the amount the hospital or health clinic**
23 **spent on charitable care, as reported under subsection (3)(a) of this section.**

24 **(b) Before applying the maximum amount of property taxes saved under paragraph (a)**
25 **of this subsection, the maximum amount shall be reduced by the sum of all amounts of**
26 **compensation in excess of \$1 million paid to any director, officer, employee or agent, as re-**
27 **ported under subsection (3)(b) of this section.**

28 **SECTION 2. Section 1 of this 2019 Act applies to property tax years beginning on or after**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **January 1, 2020.**

2 **SECTION 3. This 2019 Act takes effect on the 91st day after the date on which the 2019**
3 **regular session of the Eightieth Legislative Assembly adjourns sine die.**

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