

DRAFT

SUMMARY

Extends biennial privilege taxes on merchantable forest products harvested on forestlands.

Takes effect on 91st day following adjournment sine die.

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, as amended by section 1, chapter 31, Oregon Laws 2022, is amended to read:

321.015. (1) For the calendar years beginning January 1, [2022] **2024**, and January 1, [2023] **2025**, 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

1 for the payment of benefits related to fire suppression as provided in ORS
2 321.005 to 321.185, 321.560 to 321.600 and 477.440 to 477.460.

3 (3) For the calendar years beginning January 1, [2022] **2024**, and January
4 1, [2023] **2025**, in addition to the taxes levied under subsections (1) and (2)
5 of this section, there is levied a privilege tax upon taxpayers for the privilege
6 of harvesting all merchantable forest products harvested on forestlands in
7 the amount of 207.02 cents per thousand feet, board measure, for the purpose
8 of administering the Oregon Forest Practices Act in an amount not to exceed
9 40 percent of the total expenditures approved by the Legislative Assembly for
10 this purpose, including salary adjustments approved by the Legislative As-
11 sembly for fiscal years [2022 and 2023] **2024 and 2025**.

12 (4) For the calendar years beginning January 1, [2022] **2024**, and January
13 1, [2023] **2025**, in addition to the taxes levied by subsections (1) to (3) of this
14 section, there is levied a privilege tax of 21 cents per thousand feet, board
15 measure, upon taxpayers for the privilege of harvesting all merchantable
16 forest products harvested on forestlands. Subject to ORS 321.145, the pro-
17 ceeds of the tax shall be transferred as provided in ORS 321.152 (5) to the
18 subaccount established pursuant to ORS 350.520 for use by Oregon State
19 University for the purpose of making investments in professional forestry
20 education at the College of Forestry.

21 (5) Subject to subsection (6) of this section, the taxes shall be measured
22 by and be applicable to each per thousand feet, board measure, on the total
23 quantity of forest products harvested in this state measured by use of any
24 log scale which is or may be in general use in the logging industry and
25 which is designed to measure total volume of merchantable forest products
26 in board feet. However, if the Department of Revenue finds that the scale
27 used by any taxpayer in computing the taxes due under ORS 321.005 to
28 321.185 and 321.560 to 321.600 does not accurately reflect the total quantity
29 of merchantable forest products harvested by the taxpayer, it may require the
30 taxpayer to adopt another log scale in general use in the industry which in
31 the department's opinion will accurately reflect merchantable harvest in

