

HB 2343 A STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Jaime McGovern, Economist

Meeting Dates: 4/28

WHAT THE MEASURE DOES:

Authorizes governing body of enterprise zone sponsor to adopt resolution suspending enterprise zone employment requirements otherwise imposed on authorized business firms. Provides resolution may not be adopted after 45 days following effective date of Act. Authorizes governing body of enterprise zone sponsor to allow exemption for property tax years beginning on July 1, 2021, and July 1, 2022, to qualified property of authorized business firm that otherwise does not meet certain requirements during declared public health emergency. Authorizes refunds without interest of all or any part of payments collected with respect to disqualification in certain circumstances, and based on property taxes imposed for tax year that began on July 1, 2020, with respect to qualified property subject to either grant of authority.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Under ORS 285C.135 and 285C.200, qualified property owned or leased and newly placed into service by a qualified business firm in an enterprise zone is exempt from property tax for three to five consecutive years. The zones are designated by local governments subject to Oregon Business Development Department (OBDD aka Business Oregon). The property tax exemption may apply to new and growing businesses, and the requirements for qualification can include conditions on timing, local hiring, increases in hiring, and business operations.