

HB 2070-1
(LC 537)
3/24/21 (ASD/ps)

Requested by Representative MARSH

**PROPOSED AMENDMENTS TO
HOUSE BILL 2070**

1 On page 1 of the printed bill, line 2, after the first semicolon delete the
2 rest of the line and delete line 3 and insert “creating new provisions;
3 amending ORS 321.015 and 321.017; prescribing an effective date; and pro-
4 viding for revenue raising that requires approval by a three-fifths
5 majority.”.

6 Delete lines 5 through 31 and delete page 2 and insert:

7 **“SECTION 1. ORS 321.015 is amended to read:**

8 “321.015. (1) [*For the calendar years beginning January 1, 2020, and Jan-*
9 *uary 1, 2021,*] There is levied a privilege tax of 90.00 cents per thousand feet,
10 board measure, upon taxpayers for the privilege of harvesting of all
11 merchantable forest products harvested on forestlands. Subject to ORS
12 321.145, the proceeds of the tax shall be transferred as provided in ORS
13 321.152 (2) to the Forest Research and Experiment Account for use for the
14 forest resource research, experimentation and studies described in ORS
15 526.215 and for the Forest Research Laboratory established under ORS
16 526.225.

17 “(2) Except as provided in ORS 477.760, in addition to the tax levied by
18 subsection (1) of this section, there is levied a forest products harvest tax
19 upon taxpayers of 62.5 cents per thousand feet, board measure, for the priv-
20 ilege of harvesting all merchantable forest products harvested on forestlands
21 for the payment of benefits related to fire suppression as provided in ORS

1 321.005 to 321.185, 321.560 to 321.600 and 477.440 to 477.460.

2 “(3) [*For the calendar years beginning January 1, 2020, and January 1,*
3 *2021,*] In addition to the taxes levied under subsections (1) and (2) of this
4 section, there is levied a privilege tax upon taxpayers for the privilege of
5 harvesting all merchantable forest products harvested on forestlands in the
6 amount of 138.72 cents per thousand feet, board measure, for the purpose of
7 administering the Oregon Forest Practices Act in an amount not to exceed
8 40 percent of the total expenditures approved by the Legislative Assembly for
9 this purpose, including salary adjustments approved by the Legislative As-
10 sembly [*for fiscal years 2020 and 2021*].

11 “(4) [*For the calendar years beginning January 1, 2020, and January 1,*
12 *2021,*] In addition to the taxes levied by subsections (1) to (3) of this section,
13 there is levied a privilege tax of 10 cents per thousand feet, board measure,
14 upon taxpayers for the privilege of harvesting all merchantable forest pro-
15 ducts harvested on forestlands. Subject to ORS 321.145, the proceeds of the
16 tax shall be transferred as provided in ORS 321.152 (5) to the subaccount
17 established pursuant to ORS 350.520 for use by Oregon State University for
18 the purpose of making investments in professional forestry education at the
19 College of Forestry.

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

1 board feet.

2 “(6) The first 25,000 feet, board measure, of forest products harvested an-
3 nually by any taxpayer during each calendar year shall be excluded from the
4 total quantity of harvested forest products that constitutes the measure of
5 the taxes under ORS 321.005 to 321.185 and 321.560 to 321.600.

6 “(7) **The rates of taxes levied under subsections (1) to (4) of this**
7 **section shall be adjusted annually for inflation since 2020 based on the**
8 **Consumer Price Index for All Urban Consumers, West Region (All**
9 **Items), as published by the Bureau of Labor Statistics of the United**
10 **States Department of Labor.**

11 “**SECTION 2.** ORS 321.017 is amended to read:

12 “321.017. (1) In addition to the taxes levied under ORS 321.015 (1) to (4),
13 there [*hereby*] is levied a privilege tax upon taxpayers on the harvesting of
14 all merchantable forest products harvested on forestlands [*in the amount*
15 *provided in subsection (2) of this section.*]

16 “[*(2) The rate of tax levied in subsection (1) of this section shall be estab-*
17 *lished annually at the beginning of each calendar year by the board of direc-*
18 *tors of the Oregon Forest Resources Institute,*] at a rate not to exceed [*75*] **150**
19 cents per thousand feet, board measure, adjusted annually for inflation since
20 [*1991*] **2020** based on the Consumer Price Index for All Urban Consumers,
21 West Region (All Items), as published by the Bureau of Labor Statistics of
22 the United States Department of Labor.

23 “[*(3)*] **(2)** The tax **levied under subsection (1) of this section** shall be
24 measured by and be applicable to each per thousand feet, board measure, and
25 such shall be subject to and determined by the procedures and provisions of
26 ORS 321.015 (5) and (6).

27 “[*(4)*] **(3)** The tax [*levied by subsection (1) of this section*] shall be due and
28 payable to the Department of Revenue in the manner and procedure, includ-
29 ing penalties and interest, as set forth for the collection of the privilege tax
30 in ORS 321.005 to 321.185.

1 “[5] **(4)(a)** The revenue from the tax [*levied by subsection (1) of this*
2 *section*] shall be remitted to the State Treasurer [*who shall*] **for** deposit [*it*]
3 in a suspense account established under ORS 321.145 (1).

4 “**(b)** After payment of refunds, which shall be paid in the same manner
5 as other forest products harvest tax refunds are paid [*in*] **under** ORS 321.145
6 (2), the balance of the [*additional*] **revenue from the** tax [*imposed under*
7 *subsection (1) of this section*] shall be deposited in the Oregon Forest Re-
8 sources Institute Fund.

9 “**SECTION 3.** **The amendments to ORS 321.015 and 321.017 by**
10 **sections 1 and 2 of this 2021 Act apply to the harvesting of**
11 **merchantable forest products on forestlands on or after January 1,**
12 **2022.**

13 “**SECTION 4.** **This 2021 Act takes effect on the 91st day after the**
14 **date on which the 2021 regular session of the Eighty-first Legislative**
15 **Assembly adjourns sine die.”.**

16
