

D R A F T

SUMMARY

Digest: The Act would extend three taxes on the privilege of harvesting forest products and set the new tax rates. (Flesch Readability Score: 67.3).

Extends certain taxes on the privilege of harvesting merchantable forest products on forestlands.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to forest products harvest taxation; amending ORS 321.015; pre-
3 scribing an effective date; and providing for revenue raising that requires
4 approval by a three-fifths majority.

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

6 **SECTION 1.** ORS 321.015 is amended to read:

7 321.015. (1) For the calendar years beginning January 1, [2024] **2026**, and
8 January 1, [2025] **2027**, there is levied a privilege tax of [90.00] _____ cents
9 per thousand feet, board measure, upon taxpayers for the privilege of har-
10 vesting of all merchantable forest products harvested on forestlands. Subject
11 to ORS 321.145, the proceeds of the tax shall be transferred as provided in
12 ORS 321.152 (2) to the Forest Research and Experiment Account for use for
13 the forest resource research, experimentation and studies described in ORS
14 526.215 and for the Forest Research Laboratory established under ORS
15 526.225.

16 (2) Except as provided in ORS 477.760, in addition to the tax levied by
17 subsection (1) of this section, there is levied a forest products harvest tax
18 upon taxpayers of 62.5 cents per thousand feet, board measure, for the priv-
19 ilege 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, [2024] **2026**, and January
4 1, [2025] **2027**, 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 [253.46] _____ cents per thousand feet, board measure, for the
8 purpose of administering the Oregon Forest Practices Act in an amount not
9 to exceed 40 percent of the total expenditures approved by the Legislative
10 Assembly for this purpose, including salary adjustments approved by the
11 Legislative Assembly for fiscal years [2024] **2026** and [2025] **2027**.

12 (4) For the calendar years beginning January 1, [2024] **2026**, and January
13 1, [2025] **2027**, 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,
15 board measure, upon taxpayers for the privilege of harvesting all
16 merchantable forest products harvested on forestlands. Subject to ORS
17 321.145, the proceeds of the tax shall be transferred as provided in ORS
18 321.152 (5) to the subaccount established pursuant to ORS 350.520 for use by
19 Oregon State University for the purpose of making investments in profes-
20 sional forestry 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

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)(a) Not later than March 10 of each odd-numbered year, the Legislative
7 Assembly shall begin considering the biennial forest products harvest tax
8 rates levied under subsections (1), (3) and (4) of this section.

9 (b) Upon request of the Legislative Revenue Officer or the Legislative
10 Fiscal Officer, the State Forestry Department shall provide the respective
11 officers with relevant timber harvest data for the purposes of paragraph (a)
12 of this subsection.

13 **SECTION 2. This 2025 Act takes effect on the 91st day after the date**
14 **on which the 2025 regular session of the Eighty-third Legislative As-**
15 **sembly adjourns sine die.**

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