

House Bill 2087

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

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**.

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

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

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

5 **SECTION 1.** ORS 321.015, as amended by section 1, chapter 31, Oregon Laws 2022, is amended
6 to read:

7 321.015. (1) For the calendar years beginning January 1, [2022] **2024**, and January 1, [2023]
8 **2025**, there is levied a privilege tax of 90.00 cents per thousand feet, board measure, upon taxpayers
9 for the privilege of harvesting of all merchantable forest products harvested on forestlands. Subject
10 to ORS 321.145, the proceeds of the tax shall be transferred as provided in ORS 321.152 (2) to the
11 Forest Research and Experiment Account for use for the forest resource research, experimentation
12 and studies described in ORS 526.215 and for the Forest Research Laboratory established under ORS
13 526.225.

14 (2) Except as provided in ORS 477.760, in addition to the tax levied by subsection (1) of this
15 section, there is levied a forest products harvest tax upon taxpayers of 62.5 cents per thousand feet,
16 board measure, for the privilege of harvesting all merchantable forest products harvested on
17 forestlands for the payment of benefits related to fire suppression as provided in ORS 321.005 to
18 321.185, 321.560 to 321.600 and 477.440 to 477.460.

19 (3) For the calendar years beginning January 1, [2022] **2024**, and January 1, [2023] **2025**, in ad-
20 dition to the taxes levied under subsections (1) and (2) of this section, there is levied a privilege tax
21 upon taxpayers for the privilege of harvesting all merchantable forest products harvested on
22 forestlands in the amount of 207.02 cents per thousand feet, board measure, for the purpose of ad-
23 ministering the Oregon Forest Practices Act in an amount not to exceed 40 percent of the total
24 expenditures approved by the Legislative Assembly for this purpose, including salary adjustments
25 approved by the Legislative Assembly for fiscal years [2022 and 2023] **2024 and 2025**.

26 (4) For the calendar years beginning January 1, [2022] **2024**, and January 1, [2023] **2025**, in ad-
27 dition to the taxes levied by subsections (1) to (3) of this section, there is levied a privilege tax of
28 21 cents per thousand feet, board measure, upon taxpayers for the privilege of harvesting all
29 merchantable forest products harvested on forestlands. Subject to ORS 321.145, the proceeds of the
30 tax shall be transferred as provided in ORS 321.152 (5) to the subaccount established pursuant to
31 ORS 350.520 for use by Oregon State University for the purpose of making investments in profes-

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 sional forestry education at the College of Forestry.

2 (5) Subject to subsection (6) of this section, the taxes shall be measured by and be applicable to
3 each per thousand feet, board measure, on the total quantity of forest products harvested in this
4 state measured by use of any log scale which is or may be in general use in the logging industry
5 and which is designed to measure total volume of merchantable forest products in board feet. How-
6 ever, if the Department of Revenue finds that the scale used by any taxpayer in computing the taxes
7 due under ORS 321.005 to 321.185 and 321.560 to 321.600 does not accurately reflect the total
8 quantity of merchantable forest products harvested by the taxpayer, it may require the taxpayer to
9 adopt another log scale in general use in the industry which in the department's opinion will accu-
10 rately reflect merchantable harvest in board feet.

11 (6) The first 25,000 feet, board measure, of forest products harvested annually by any taxpayer
12 during each calendar year shall be excluded from the total quantity of harvested forest products that
13 constitutes the measure of the taxes under ORS 321.005 to 321.185 and 321.560 to 321.600.

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

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

20 **SECTION 2. This 2023 Act takes effect on the 91st day after the date on which the 2023**
21 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

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