House Bill 3451
Sponsored by Representative HOLVEY

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.

Eliminates Oregon Forest Resources Institute and Oregon Forest Resources Institute Fund. Directs certain forest products harvest tax moneys from Oregon Forest Resources Institute Fund to General Fund.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT


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

SECTION 1. ORS 321.017 is amended to read:

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

(2) The rate of tax levied in subsection (1) of this section shall be established annually at the beginning of each calendar year by the board of directors of the Oregon Forest Resources Institute, at a rate not to exceed 75 cents per thousand feet, board measure, adjusted annually for inflation since 1991 based on the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor.

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

(4) The tax levied under subsection (1) of this section shall be due and payable to the Department of Revenue in the manner and procedure, including penalties and interest, as set forth for the collection of the privilege tax in ORS 321.005 to 321.185.

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

(b) After payment of refunds, which shall be paid in the same manner as other forest products harvest tax refunds are paid [in] under ORS 321.145 (2), the balance of the [additional] revenue from the tax [imposed under subsection (1) of this section] shall be deposited in the [Oregon Forest Resources Institute Fund] General Fund.

SECTION 2. The amendments to ORS 321.017 by section 1 of this 2023 Act apply to the harvesting of merchantable forest products harvested on forestlands on or after January 1,

SECTION 4. All moneys in the Oregon Forest Resources Institute Fund that are unexpended and unobligated on the date that ORS 526.675 is repealed shall revert to the General Fund.

SECTION 5. ORS 321.145 is amended to read:

321.145. (1) The revenue from the taxes levied under ORS 321.005 to 321.185 and 321.560 to 321.600 shall be remitted to the State Treasurer who shall deposit it in a suspense account established under the provisions of ORS 293.445.

(2) Notwithstanding the provisions of ORS 291.238, the amount of moneys necessary to pay refunds of the taxes levied under ORS 321.015 [(1) to (4) hereby] and 321.017 is appropriated continuously to the Department of Revenue from the suspense account referred to in subsection (1) of this section, and shall be used by the department for the payment of all refunds of taxes levied under ORS 321.015 [(1) to (4)] and 321.017 that have been audited and approved by the department. Any penalties, interest and taxes then due from the taxpayer shall be applied in that order in computing any refund, and only the balance due the taxpayer, if any, shall be refunded. The department shall on its records charge each refund against the revenue from the tax with respect to which the refund is made.

SECTION 6. ORS 526.274 is amended to read:

526.274. In furtherance of the policy established in ORS 526.271, the State Board of Forestry, in consultation with the Governor, may:

(1) In conformance with federal law, including Public Law 108-7, direct the State Forester to facilitate the development of stewardship contracts utilizing private contractors and, when appropriate, to seek and enter into a stewardship contract agreement with federal agencies to carry out forest management activities on federal lands. The State Forester may, under the stewardship contract agreements:

(a) Perform road and trail maintenance;
(b) Set prescribed fires to improve forest health, composition, structure and condition;
(c) Manage vegetation;
(d) Perform watershed restoration and maintenance;
(e) Restore wildlife habitat;
(f) Control exotic weeds and species; and
(g) Perform other activities related to stewardship.

(2) Create a forum for interagency cooperation and collaborative public involvement regarding federal forest management issues that may include, at the discretion of the board, the appointment of advisory committees, the use of existing advisory committees and procedures for holding public hearings.

(3) Provide guidelines for the State Forestry Department and State Forester to follow that contain directions regarding the management of federal lands and that specify the goals and objectives of the board regarding the management of federal lands.

(4) Participate, to the extent allowed by federal law, in the development of federal forest policies and the forest management planning processes of federal agencies.

(5) Provide guidelines for the department to follow in implementing this section.

(6) Coordinate with Oregon State University, the State Department of Fish and Wildlife, [the
Oregon Forest Resources Institute, the Department of Environmental Quality, the Oregon Business Development Department, the State Department of Energy and other agencies of the executive department, as defined in ORS 174.112, to assist the State Forestry Department in carrying out the provisions of this section.

SECTION 7. ORS 321.684 is amended to read:

ORS 321.684. (1) The Department of Revenue may:

(a) Furnish to any taxpayer or authorized representative, upon request of the taxpayer or authorized representative, a copy of the taxpayer's forest products harvest tax report or return required by ORS 321.045 or 321.741 that is filed with the department for any year, or a copy of any report filed by the taxpayer in connection with the return.

(b) Publish a list of taxpayers who are entitled to unclaimed tax refunds.

(c) Publish statistics classified so as to prevent the identification of taxable value or any particulars contained in any report or return.

(d) Disclose a taxpayer's name, address and Social Security number or employer identification number to the extent necessary in connection with the processing and mailing of forms for any report or return required in the administration of ORS 321.045 and 321.741.

(e) Disclose to the State Forester, upon request of the forester, for the purpose of soliciting nominations and recommendations referred to in ORS 526.610, the names of producers meeting producer class qualifications established under ORS 526.610 who filed forest products harvest tax returns.

(f) Disclose appraisal data collected to make determinations of specially assessed value of forestland under ORS 321.201 to 321.222 to any member of a forestland value advisory committee the department has convened under ORS 321.213.

(2) The department also may disclose and give access to information described in ORS 321.682 to:

(a) The Commissioner of Internal Revenue or authorized representative, for tax purposes only.

(b) The United States Forest Service, Bureau of Land Management and the State Forestry Department pursuant to their regulatory programs and for investigative purposes related to timber theft.

(c) The Attorney General, assistants and employees in the Department of Justice or other legal representative of the State of Oregon, to the extent the department considers disclosure or access necessary for the performance of the duties of advising or representing the department pursuant to ORS 321.045 and 321.741.

(d) Employees of the State of Oregon, other than the Department of Revenue or Department of Justice, to the extent the department considers disclosure or access necessary for such employees to perform their duties under contracts or agreements between the department and any other department, agency or subdivision of the State of Oregon in the department's administration of the tax laws.

(e) The Legislative Revenue Officer or the authorized representative of the Legislative Revenue Officer upon compliance with ORS 173.850. The officer or representative may not remove from the premises of the department any materials that would reveal the identity of any taxpayer or any other person or the volume of harvest and value reported on individual returns and reports.

(f) Any agency of the State of Oregon, or any person, or any officer or employee of the agency or person to whom disclosure or access is given by state law and not otherwise referred to in this section, including but not limited to the Secretary of State as Auditor of Public Accounts under section 2, Article VI of the Constitution of the State of Oregon.
Each officer or employee of the department and each person described or referred to in subsection (2)(b) to (f) of this section to whom disclosure or access to the tax information is given under subsection (2) of this section or any other provision of state law, prior to beginning employment or the performance of duties involving such disclosure or access, shall be advised in writing of the provisions of ORS 321.682 and 321.686 relating to penalties for the violation of ORS 321.682, and shall, as a condition of employment or performance of duties, execute a certificate for the department, in a form prescribed by the department, stating in substance that the person has read these provisions of law, that the person has had them explained and that the person is aware of the penalties for the violation of ORS 321.682.

SECTION 8. This 2023 Act takes effect on the 91st day after the date on which the 2023 regular session of the Eighty-second Legislative Assembly adjourns sine die.