

A-Engrossed
Senate Bill 465

Ordered by the Senate May 19
Including Senate Amendments dated May 19

Sponsored by Senator HANSELL (Presession filed.)

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.

Provides that property of company that is organized and located outside of this state and exclusively operates jet boat excursion business on boundary rivers of this state and not on rivers within this state is not subject to central assessment for purposes of property taxation. Provides that any property of such company located in this state on assessment date for property tax year is subject to local assessment for purposes of property taxation.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to the taxation of the property of jet boat companies; creating new provisions; amending
3 ORS 308.516; and prescribing an effective date.

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

5 **SECTION 1.** ORS 308.516 is amended to read:

6 308.516. (1) A company is not a company described in ORS 308.515 (1) to the extent that the
7 company furnishes undiluted liquefied or industrial gas in bottles, tanks or similar containers.

8 (2) A company is not a company described in ORS 308.515 (1) if:

9 (a) The company generates electricity primarily for the company's own use and makes no more
10 than incidental sales of the company's surplus electricity to other persons; or

11 (b)(A) The company's generating facility is primarily fueled by wood waste or other biomass fuel;

12 (B) The generating facility has a maximum capacity of 20 megawatts; and

13 (C) The company, if selling the generated electricity, does so only directly to an electric utility,
14 as defined in ORS 758.505, for the electric utility's distribution to utility customers.

15 (3)(a) A company that is in the business of communication and is the owner or lessee of a data
16 center is not a company described in ORS 308.515 (1) if the historical or original cost of all real and
17 tangible personal property, other than data centers, that is owned or leased by the company in
18 Oregon, is in service and is used by the company in the business of communication, is less than or
19 equal to 10 percent of the historical or original cost of the real and tangible personal property of
20 all data centers owned, leased or used by the company in Oregon and all additions to the data
21 center property.

22 (b) For purposes of this subsection, property other than data centers used in the business of
23 communication does not include property to the extent the property constitutes:

24 (A) An office;

25 (B) A warehouse;

26 (C) A manufacturing plant;

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 (D) A retail outlet;

2 (E) Property used in connection with a data center to generate electricity; or

3 (F) Electricity generated by property described in subparagraph (E) of this paragraph.

4 (4) For purposes of ORS 308.515 (1), a company is not a company in the business of communi-
5 cation solely because the company manufactures or holds out for sale property used by any person
6 in communication.

7 **(5)(a) A company is not a company described in ORS 308.515 (1) if:**

8 **(A) The company engages exclusively in the business of providing jet boat excursions;**

9 **(B) The company operates the jet boat excursions on the Columbia River or the Snake**
10 **River where those rivers form the boundaries of the State of Oregon and not on any river**
11 **within the boundaries of this state;**

12 **(C) The company is organized under the laws of a state other than the State of Oregon;**
13 **and**

14 **(D) The company's principal place of business is located in a state other than the State**
15 **of Oregon.**

16 **(b) Any property of the company that is located in this state as of the assessment date**
17 **set forth in ORS 308.210 shall be subject to assessment under ORS 308.210 by the assessor**
18 **of the county in which the property is located.**

19 **SECTION 2. The amendments to ORS 308.516 by section 1 of this 2023 Act apply to**
20 **property tax years beginning on or after July 1, 2024.**

21 **SECTION 3. This 2023 Act takes effect on the 91st day after the date on which the 2023**
22 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

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