Sponsored by Representative RESCHKE, Senator FINDLEY; Representatives BOICE, BRESEE-IVERVISON, LEVY B, LEVY E, RUIZ, WALTERS, Senators GORSEK, MANNING JR, SMITH DB (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 as introduced. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes all farm machinery tax exempt. (Flesch Readability Score: 66.1). Removes the requirement that farm machinery and equipment be tangible personal property for the purposes of exemption from ad valorem property taxation. Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to farm machinery and equipment; amending ORS 307.394; and prescribing an effective date.

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

SECTION 1. ORS 307.394 is amended to read:

307.394. (1) The following [tangible personal] property is exempt from ad valorem property taxation:

(a) Farm machinery and equipment used or held for use primarily in the preparation of land[,]
or the planting, raising, cultivating, irrigating, harvesting, [or] placing in storage [or preparing for]
storage or shipping of farm crops;

(b) Farm machinery and equipment used or held for use primarily for the purpose of:

(A) Feeding[, or breeding[, management and sale of, or the produce of,] livestock, poultry, fur-bearing animals or bees;

(B) The management and sale of livestock, poultry, fur-bearing animals or bees or their
produce; or

(C) [for] Dairying and the sale of dairy products;

(c) Machinery and equipment used or held for use primarily to implement a remediation plan
as defined in ORS 308A.053 for the period of time for which the remediation plan is certified; or

(d) Farm machinery and equipment used or held for use primarily in any other agricultural or
horticultural use or animal husbandry or any combination of these activities.

(2)(a) Items of [tangible personal] property, including, but not limited to, tools, machinery and
equipment that are used [predominantly] or held for use primarily in the construction, reconstruc-
tion, maintenance, repair, support or operation of farm machinery, and equipment and other
real or personal farm improvements that are used or held for use primarily in animal husbandry,
agricultural or horticultural activities, or any combination of these activities, are exempt from ad
valorem property taxation.

(b) An item of [tangible personal] property described in paragraph (a) of this subsection is exempt
from ad valorem property taxation only if the person that owns, possesses or controls the item
also:

(A) Owns, possesses or controls the farm machinery, equipment and other real and personal farm
improvements for which the item is used or held for use; and

(B) Carries on the animal husbandry, agricultural or horticultural activity, or combination of activities, in which the farm machinery, equipment or other real and personal farm improvements are used or held for use.

SECTION 2. This 2024 Act takes effect on the 91st day after the date on which the 2024 regular session of the Eighty-second Legislative Assembly adjourns sine die.