

PUBLIC HEARING AND WORK SESSION: HB 2045, HB 2046,

HB 2049 A-ENG., HB 2452

TAPES 053 - 054 A/B

055 A

SENATE REVENUE COMMITTEE

MARCH 4, 1999 - 3:00 P.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Senator Randy Miller, Chair

Senator Thomas Wilde, Vice Chair

Senator Lee Beyer

Senator Tom Hartung

Senator Charles Starr

Staff: Paul Warner, Legislative Revenue Officer

Lizbeth Martin-Mahar, Economist, Legislative Revenue Office

Richard Yates, Economist, Legislative Revenue Office

Joan Green, Committee Assistant

Witnesses: Diane Belt, Oregon Association of County Tax Collectors

David Bartholomew, Oregon Association of County Tax Collectors

Terry Lamers, Oregon Small Woodlands Association

Ray Wilkeson, Oregon Forest Industries Council

Don Schellenberg, Oregon Farm Bureau

TAPE 053, SIDE A

006 Chair Miller Meeting called to order at 3:04 p.m.

OPENED PUBLIC HEARING ON HB 2452

030 Richard Yates Described HB 2452, which exempts harvests from private land, other than forestland, from the Eastern and Western Oregon Privilege Taxes. The bill also removes obsolete language from the statute. (Exhibit 1)

067 Ray Wilkeson Presented testimony in support of measure. (Exhibit 3)

194 Terry Lamers Presented testimony in support of measure. (Exhibit 4)

220 Don Schellenberg Spoke in support of the measure.

WORK SESSION ON HB 2452

254 Yates Reviewed comparison charts, (Exhibit 2) and discussed the policy issues raised by the bill. Explained how the incentive could be created for people to reclassify designated forestland as farmland.

310 Yates Continued with review and discussed examples comparing investments in forestland to farmland, (Page 3, Exhibit 2). These examples go to the question should the tax system be neutral in terms of affecting private decisions with in a market.

458 Yates Continued with review comparing the investment in forestland to farmland, (Page 3, Exhibit 2).

TAPE 054, SIDE A

036 Yates Continued with review comparing the investment in forestland to farmland, (Page 4, Exhibit 2).

070 Yates Spoke to the caveats in the revenue impact statement, (Page 3, Exhibit 1). Measure 50 will determine whether the revenue impact total is a tax shift or revenue loss.

120	Yates	Discussed whether the harvest tax stands by itself or is it a property tax and the questions raised, if it is a property tax.
133	Vice Chair Wilde	MOTION: MOVED HB 2452 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.
137	VOTE	ROLL CALL VOTE: MOTION PASSES 5-0-0 SENATORS VOTING AYE: Beyer, Hartung, Starr, Wilde, Chair Miller Vice Chair Wilde will carry the bill.

PUBLIC HEARING ON HB 2045

144	Lizbeth Martin-Mahar	Described HB 2045, which changes pre-collection amounts for the sales of manufactured structures, real property plats and personal property. (Exhibit 5)
198	Diane Belt	Presented testimony in support of measure. (Exhibit 6)
257	Gary Bartholomew	Spoke in support of the measure.
289	Vice Chair Wilde	"I would be happier if there were equity for both parties instead of the counties at \$10 and the taxpayer at \$5."
306	Chair Miller	Of the taxpayers impacted in Multnomah County, who were owed the refund of \$10 or less; were they in agreement with the County not making the refund because of the County's cost?
321	Bartholomew	None of those impacted has contacted the County about the refund.
336	Chair Miller	Should there be equity between the counties and the taxpayer in the amounts owed?

343 Bartholomew The bill was based on tying into existing statutes; the counties are not averse to equalizing the amount.

357 Belt Washington County honors requests from taxpayers for refunds of \$10 or less.

WORK SESSION ON HB 2045

370 Sen. Beyer MOTION: MOVED HB 2045 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.

377 VOTE ROLL CALL VOTE: MOTION PASSES 4-1-0

SENATORS VOTING AYE: Beyer, Hartung, Starr, Chair Miller

SENATORS VOTING NAY: Wilde

Sen. Hartung will carry the bill.

PUBLIC HEARING ON HB 2046

397 Diane Belt Presented testimony in support of measure. (Exhibit 7)

TAPE 053, SIDE B

015 Diane Belt Continued with testimony in support of measure, (Page 2, Exhibit 7).

072 Gary Bartholomew Spoke in support of the measure.

092 Vice Chair Wilde What is the interest rate on delinquent taxes?

095 Belt Sixteen percent per year.

099 Sen. Beyer Isn't the interest rate set by statute with all counties the same?

106	Lizbeth Martin-Mahar	<p>Concurred, it was changed from 12% in 1989.</p> <p>Distributed House staff measure summary, revenue and fiscal impact statements. (Exhibit 8)</p>
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WORK SESSION ON HB 2046

113	Sen. Starr	MOTION: MOVED HB 2046 TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.
116	VOTE	<p>ROLL CALL VOTE: MOTION PASSES 4-1-0</p> <p>SENATORS VOTING AYE: Beyer, Hartung, Starr, Chair Miller</p> <p>SENATORS VOTING NAY: Wilde</p> <p>Sen. Starr will carry the bill.</p>

PUBLIC HEARING ON HB 2049 A-ENGROSSED

126	Lizbeth Martin-Mahar	Described HB 2049, which extends county tax collectors the same authority to collect debts from seizure of personal property to real property machinery and equipment. (Exhibit 9)
169	Diane Belt	Presented testimony in support of measure. (Exhibit 10)
197	Sen. Hartung	Would the high tech industry have equipment that would be distrained?
203	Belt	Yes, it does.
212	Gary Bartholomew	Spoke in support of the measure.
218	Chair Miller	Why are counties requesting the authority discussed in the last three bills at this time?

- 225 Belt Tax collectors have discussed these issues for many years, but three events deterred the collectors from bringing the measures forward prior to this. The problem(s) have been identified for the last 4-5 years.
- 250 Chair Miller Was the equipment being taken away in the Jackson County case for the purpose of sale to raise the money to pay tax?
- 252 Belt Cites case in Multnomah County with a bottling company; the property was probably taken by a secured creditor.
- 262 Chair Miller Doesn't real property become personal property if it is no longer affixed in a permanent place?
- 265 Belt When it is taxed as real property on the tax role there is no authority for the collector to change it to personal property; this bill would allow the authority to treat it like personal property.

WORK SESSION ON HB 2049 A-ENGROSSED

- 284 Vice Chair Wilde MOTION: MOVED HB 2049 A-ENG. TO THE SENATE FLOOR WITH A DO PASS RECOMMENDATION.
- 290 VOTE ROLL CALL VOTE: MOTION PASSES 5-0-0
- SENATORS VOTING AYE: Beyer, Hartung, Starr, Wilde, Chair Miller
- Vice Chair Wilde will carry the bill.
- 305 Chair Miller Meeting adjourned at 4:15 p.m.

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Submitted by, Reviewed by,

Joan Green Kim T. James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. HB 2452, Yates, Staff measure summary, House staff measure summary, revenue and fiscal impacts, 4 pages
2. HB 2452, Yates, Comparison charts, 6 pages
3. HB 2452, Wilkeson, Written testimony, 5 pages
4. HB 2452, Lamers, Written testimony, 2 pages
5. HB 2045, Martin-Mahar, House staff measure summary, revenue and fiscal impact statements, 3 pages
6. HB 2045, Belt, Written testimony, 3 pages
7. HB 2046, Belt, Written testimony, 4 pages
8. HB 2046, Martin-Mahar, House staff measure summary, revenue and fiscal impact statements, 3 pages
9. HB 2049, Martin-Mahar, , House staff measure summary, revenue and fiscal impact statements, 4 pages
10. HB 2049, Belt, Written Testimony, 1 page