

## HOUSE AMENDMENTS TO HOUSE BILL 2904

By COMMITTEE ON REVENUE

July 1

1 On page 1 of the printed bill, line 2, after “ORS” insert “285C.400 and”.

2 Delete lines 4 through 31 and delete page 2 and insert:

3 “**SECTION 1.** ORS 285C.400 is amended to read:

4 “285C.400. As used in ORS 285C.400 to 285C.420:

5 “(1) ‘Business firm’ has the meaning given that term in ORS 285C.050.

6 “(2) ‘Certified business firm’ means a business firm that has been certified under ORS 285C.403.

7 “(3) ‘County with chronically low income or chronic unemployment’ means, based on the most  
8 recently revised annual average unemployment rate or annual per capita income levels available, a  
9 county in which:

10 “(a) The median ratio of the per capita personal income of the county to the equivalent annual  
11 personal income figure of the entire United States for each year, as reported by the Bureau of  
12 Economic Analysis of the United States Department of Commerce, is equal to or less than 0.75 over  
13 the last 10 years;

14 “(b) The median ratio of the unemployment rate of the county to the equivalent rate of the en-  
15 tire United States for each year is at least 1.3 over the last 20 years or over the last 10 years; or

16 “(c) The population of the county has experienced a negative net migration, irrespective of na-  
17 tural population change, since the most recent federal decennial census occurring three or more  
18 years prior to the current estimated population figure for the county, based on available population  
19 statistics.

20 “(4) ‘Facility’ means the land, real property improvements and personal property that are used:

21 “(a) At a location in a rural enterprise zone that is identified in the application for certification  
22 under ORS 285C.403; and

23 “(b) In those business operations of the business firm that are the subject of the application for  
24 certification under ORS 285C.403.

25 “(5) ‘**Qualified rural county**’ means a county:

26 “(a) **That is outside all metropolitan statistical areas, as defined by the most recent fed-  
27 eral decennial census; and**

28 “(b) **In which, on the most recently certified property tax assessment roll, the total  
29 property taxes imposed by all taxing districts within the county are equal to or greater than  
30 1.3 percent of the total assessed value of all taxable property located in the county.**

31 “[5] (6) ‘Rural enterprise zone’ has the meaning given that term in ORS 285C.050.

32 “**SECTION 2.** ORS 285C.403 is amended to read:

33 “285C.403. (1) Any business firm proposing to apply for the tax exemption provided under ORS  
34 285C.409 shall, before the commencement of construction or installation of property or improvements  
35 at a location in a rural enterprise zone and before the hiring of employees, apply for certification

1 with the sponsor of the zone and with the county assessor of the county or counties in which the  
2 zone is located. The application shall be made on a form prescribed by the Department of Revenue.

3 “(2) The application shall contain the following information:

4 “(a) A description of the firm’s proposed business operations and facility in the rural enterprise  
5 zone;

6 “(b) A description and estimated cost or value of the property or improvements to be con-  
7 structed or installed at the facility;

8 “(c) An estimate of the number of employees at the facility that will be hired by the firm;

9 “(d) A commitment to meet the applicable requirements of ORS 285C.412;

10 “(e) A commitment to satisfy all additional conditions agreed to pursuant to the written agree-  
11 ment between the rural enterprise zone sponsor and the business firm under subsection (3)(c) of this  
12 section; and

13 “(f) Any other information considered necessary by the Department of Revenue.

14 “(3) The sponsor and the county assessor shall certify the business firm by approving the ap-  
15 plication if the sponsor and the county assessor determine that all of the following requirements  
16 have been met:

17 “(a) The governing body of the county and city in which the facility is located has adopted a  
18 resolution approving the property tax exemption for the facility.

19 “(b) The business firm has committed to meet the applicable requirements of ORS 285C.412.

20 “(c) The business firm has entered into a written agreement with the sponsor of the rural en-  
21 terprise zone that may include any additional requirements that the sponsor may reasonably request,  
22 including but not limited to contributions for local services or infrastructure benefiting the facility.  
23 The written agreement shall state the number of consecutive tax years for which the facility, fol-  
24 lowing commencement of operations, is to be exempt from property tax under ORS 285C.409. The  
25 agreement may not provide for a period of exemption that is less than seven consecutive tax years  
26 or more than 15 consecutive tax years. If the agreement is silent on the number of tax years for  
27 which the facility is to be exempt following placement in service, the exemption shall be for seven  
28 consecutive tax years.

29 “(d) **When the written agreement required under paragraph (c) of this subsection is exe-**  
30 **cuted,** the facility is located in:

31 “(A) A **qualified rural** county; or

32 “(B) A **county** with chronically low income or chronic unemployment, based on the most re-  
33 cently revised annual data available [*when the written agreement with the zone sponsor is executed*].

34 “(4) The approval of an application by both the sponsor and the county assessor under sub-  
35 section (3) of this section shall be prima facie evidence that the business firm will qualify for the  
36 property tax exemption under ORS 285C.409.

37 “(5) The sponsor and the county assessor shall provide copies of an approved application to the  
38 applicant, the Department of Revenue and the Oregon Business Development Department.

39 “(6) If the sponsor or the county assessor fails or refuses to certify the business firm, the busi-  
40 ness firm may appeal to the Oregon Tax Court under ORS 305.404 to 305.560. The business firm shall  
41 provide copies of the firm’s appeal to the sponsor, the county assessor, the Oregon Business Devel-  
42 opment Department and the Department of Revenue.

43 “**SECTION 3. This 2017 Act takes effect on the 91st day after the date on which the 2017**  
44 **regular session of the Seventy-ninth Legislative Assembly adjourns sine die.**”.