House Bill 2014

Sponsored by Representative HUNT; Representatives HOLVEY, KOMP

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.**

Provides for collection of construction taxes by state agencies and state officials. Expands types of construction that are exempt from construction taxes. Increases percentage of tax that may be retained for collection expenses.

Applies to collection of construction taxes on or after effective date of Act.

Takes effect on 91st day following adjournment sine die.

1 **A BILL FOR AN ACT**

2 Relating to school construction taxes; creating new provisions; amending ORS 320.170, 320.173 and

3   320.179; and prescribing an effective date.

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

5   **SECTION 1.** ORS 320.170 is amended to read:

6   320.170. (1) Construction taxes may be imposed by a school district, as defined in ORS 330.005,

7 in accordance with ORS 320.170 to 320.189.

8   (2) Notwithstanding subsection (1) of this section[,]**:**

9   **(a)** Construction taxes imposed by a school district may be collected by another local govern-

10 ment, local service district or special government body pursuant to a written agreement with a

11 school district[.]**; and**

12   **(b) If a building permit is issued by a state agency or state official, the agency or official**

13 **shall collect, on behalf of the school district, any associated construction taxes imposed un-**

14 **der this section, absent an agreement to the contrary with the school district.**

15   **SECTION 2.** ORS 320.173 is amended to read:

16   320.173. Construction taxes may not be imposed on the following:

17   (1) Private school improvements.

18   (2) Public improvements as defined in ORS 279A.010.

19   (3) Residential housing that is guaranteed to be affordable, under guidelines established by the

20 United States Department of Housing and Urban Development, to households that earn no more

21 than 80 percent of the median household income for the area in which the construction tax is im-

22 posed, for a period of at least 60 years following the date of construction of the residential housing.

23   (4) Public or private hospital improvements.

24   (5) Improvements to religious facilities primarily used for worship or education associated with

25 worship.

26   (6) Agricultural buildings, as defined in ORS 455.315 (2)(a).

27   **(7) Long term care facilities, as defined in ORS 442.015.**

28   **(8) Residential care facilities, as defined in ORS 443.400.**

29   **(9) Continuing care retirement communities, as defined in ORS 101.020.**

30   **SECTION 3.** ORS 320.179 is amended to read:

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.

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1   320.179. (1) A school district imposing a construction tax shall impose the tax by a resolution

2 adopted by the district board of the school district. The resolution shall state the rates of tax, sub-

3 ject to ORS 320.176.

4   (2) Prior to adopting a resolution under subsection (1) of this section, a school district shall

5 enter into an intergovernmental agreement with each local government, local service district [*or*]**,**

6 special government body**, state agency or state official** collecting the tax that establishes:

7   (a) Collection duties and responsibilities;

8   (b) The specific school district accounts into which construction tax revenues are to be depos-

9 ited and the frequency of such deposits; and

10   (c) The amount of the administrative fee that the entity collecting the tax may retain to recoup

11 its expenses in collecting the tax, not to exceed [*one*] _____ percent of tax revenues.

12   **SECTION 4. The amendments to ORS 320.170, 320.173 and 320.179 by sections 1, 2 and 3**

13 **of this 2009 Act apply to the collection of construction taxes on or after the effective date**

14 **of this 2009 Act.**

15   **SECTION 5. This 2009 Act takes effect on the 91st day after the date on which the reg-**

16 **ular session of the Seventy-fifth Legislative Assembly adjourns sine die.**

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