

**Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session**  
**STAFF MEASURE SUMMARY**  
**Senate Committee On Finance and Revenue**

**MEASURE: SB 573**

**Fiscal:** Fiscal impact issued

**Revenue:** No Revenue Impact

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**Action Date:** 03/18/15

**Action:** Do Pass And Refer To Ways And Means By Prior Reference.

**Meeting Dates:** 03/11, 03/18

**Vote:**

Yeas: 3 - Edwards, Hass, Riley

Nays: 2 - Baertschiger Jr, Boquist

**Prepared By:** Kyle Easton, Economist

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**WHAT THE MEASURE DOES:**

Establishes Task Force on Land Value taxation and directs task force to study land value taxation. Task force to consist of four legislative members and four with expertise in property taxation. Department of Revenue to provide staff support. Directs all agencies of state government to assist task force in performance of its duties. Establishes study requirements. Requires task force to submit report to an interim committee of Legislative Assembly related to taxation no later than September 15, 2016.

**ISSUES DISCUSSED:**

- How a land value taxation program would look if Oregon's system changed today
- Impact of land value taxation upon value of properties that are not improved
- Impact of increasing land values caused by improvements of adjacent or close proximity properties
- Effect land value taxation would have upon Measure 5 compression
- Interaction with overall tax reform of property tax.

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

Land value taxation is the application of ad valorem property taxes in a manner more heavily weighted towards taxing the value of land with improvements being taxed at a lesser or perhaps zero rate.