

SB 769 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Meeting Dates: 3/12, 3/26

WHAT THE MEASURE DOES:

Aligns payment in lieu of property tax (PILT) notifications and collections with standard property tax system. Sets deadline for late filers of PILT. Directs that fees are distributed to taxing districts in same manner and apportionment as property taxes. Applies to property tax years beginning on or after July 1, 2020

ISSUES DISCUSSED:

- Currently PILT is dealt with by a standalone approach and calculation for distribution
- The current system places a burden on county assessors and the bill would be a simplification
- Standard reporting of PILT would increase transparency via standard tracking and reporting
- There are currently 20 PILT filers statewide
- There is a concern with the amount of claw-back and the incentive to default out of the PILT program and a loss of revenue to local governments

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Section 1, Chapter 571, Oregon Laws 2015 established a permissive policy in which counties (and cities, if applicable) may enter into an agreement where the owners of a solar project are responsible for payment in lieu of taxes for the amount of \$7,000 per megaWatt of nameplate capacity. It also prescribed the manner in which the owner would be notified, how the monies would be collected and distributed and treatment for failure to pay.