

HB 2495 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Jaime McGovern, Economist

Meeting Dates: 4/17

WHAT THE MEASURE DOES:

Makes privilege taxes on merchantable forest products harvested on forestlands permanent and increases rate of tax levied for payment of benefits related to fire suppression. Creates Wildfire Suppression Fund and directs to fund portion of tax levied for payment of benefits related to fire suppression. Provides that State Forester may expend moneys from separate request for General Fund appropriation only if available moneys in Wildfire Suppression Fund are insufficient for expenditure. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Timber history and forestlands in Oregon have changed over the past several decades, and so has taxation, regulation, assessment and management. All logging companies and individuals are charged a fee upon cutting timber to fund forest fire research and prevention. The first 25,000 board feet are exempted. Currently small timber owners also pay a severance tax upon cutting timber (those with less than 5,000 acres). Large timber owners are exempt from this tax.