

SB 81 STAFF MEASURE SUMMARY

Carrier: Sen. Hass

Senate Committee On Finance and Revenue

Action Date: 02/12/19
Action: Do pass.
Vote: 4-0-1-0
Yeas: 4 - Bentz, Hass, Riley, Taylor
Exc: 1 - Boquist
Fiscal: Has minimal fiscal impact
Revenue: No revenue impact
Prepared By: Jaime McGovern, Economist
Meeting Dates: 1/29, 2/12

WHAT THE MEASURE DOES:

Changes due date for forest products harvest tax and western and eastern Oregon small tract severance tax to April 15. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Taxpayer friendly nature of change in the bill
- Complications from the January 31st timber tax return deadline
- Stakeholder outreach

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

This bill aligns timber tax deadline with income tax returns (April 15). Timber tax returns are currently required to be filed by January 31st for taxes on the preceding calendar year's harvest. The final payment is also due by January 31st with the return. The timber tax returns include Forest Products Harvest Tax (FPHT) and Western and Eastern Oregon Small Tract Severance taxes (WOST and EOST, respectively).

Many timber tax filers do not file returns every year. They may have a taxable harvest very infrequently or just once in their lifetime. Current January 31st return deadline creates a multitude of complications for such taxpayers with small liability and the Oregon Department of Revenue. Timber owners who harvest large amounts and frequently would still make quarterly payments.