



OREGON STATE SENATE

June 22, 2023

Chair Nathanson, Vice Chairs Reschke and Walters, and Committee Members—

Senate Bill 465 Provides that property of company that is organized and located outside of this state and exclusively operates jet boat excursion business on boundary rivers of this state and not on rivers within this state is not subject to central assessment for purposes of property taxation. SB 465 passed out of the Senate unanimously on 6/20/2023.

A little history on the genesis of this bill, this bill concept came to me in 2018 from an Idaho State Senator. They had a constituent who runs a jet boat business in the Hells Canyon National Recreation Area and their headquarters were based out of Lewiston, Idaho. He operates a jet boat business and provides tours that operate solely within the boundaries of the Hells Canyon National Recreation Area and would make one stop on the Oregon side.

Operating this way for several years yet all of a sudden, the State of Oregon sent him a letter demanding personal property tax on his business, even though his business is licensed and based in the State of Idaho and does not have any physical locations or operations in Oregon.

After further research we found out there were a handful of jet boat business in the Clarkston, Washington and Lewiston, Idaho that were subjected to this tax in 2018.

However several other similar businesses that uses these shared waterways such as fishing groups, rafting, dredging, marine salvage were exempted from property taxes if their headquarters were out of state. So, this became an issue of fairness because I believe that out of state jet boat operators should also be exempted from property taxes.

Earlier in this year, we asked the Department of Revenue if there were any out of state jet boat operators that currently pay property taxes, they replied "For the moment, we are not aware of any out-of-state companies currently engaged in jet-boat excursions on the Columbia or Snake rivers. But, we do not know how many companies might choose to do so if the bill becomes law."

What that tells me is that these handful of out of state jet boat operators that had been stopping in Oregon are now choosing to not stop in Oregon during their excursions. And therefore, are not paying the fees and permits to use our beautiful state and parks on the Oregon side of the river.

I ask you to support SB 465, it was a problem in 2018 and we still need to fix this unfair nitpicky tax issue so that those on jet boat excursions can experience Oregon.

Please feel free to contact my office for any questions.

Sincerely

A handwritten signature in black ink that reads "Bill Hansell".

Bill Hansell  
Oregon State Senator, District 29