

## In-Stream Water Leasing on Specially-Assessed Farmland

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### Background

Farmland can remain in the property tax special assessment program regardless of being used for a conservation easement or as part of a wildlife habitat conservation and management plan. [HB 2971](#) adds in-stream water leasing as another reason farmland will not be disqualified from the special assessment.

### Administrative Question

Section 2 of the bill, adding ORS 308A.743(1)(c), says land will not be disqualified from farmland special assessment if the owner is engaged in in-stream leasing. It is not clear whether that is meant to be only for the specific tax lot on which the owner is engaged in in-stream leasing or to all land owned by the same owner anywhere in the state.

The same uncertainty is found in the existing ORS 308A.743(1)(a) and (b).

These uncertainties could be confusing for taxpayers and tax administrators. A potential solution would be to add the words “on that land” to each of those subparagraphs.

### Agency Contact

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