

# Senate Bill 1593

Sponsored by Senator GOLDEN, Representatives HOLVEY, GAMBA; Senators DEMBROW, WOODS, Representatives HUDSON, PHAM K, RUIZ (Presession filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

**Digest:** The Act would impose a new tax on the gross proceeds from the sale of unprocessed timber cut on private land larger than 500 acres held in common ownership. The Act would provide funding to counties and to protect homes, neighborhoods and water supplies from wildfire damage. The Act would repeal the current forest products harvest tax. The Act will be referred to the people at the 2024 general election. (Flesch Readability Score: 63.3).

Imposes a new tax on the gross proceeds from the sale of unprocessed timber harvested on private land in excess of 500 acres held in common ownership in this state. Repeals the current forest products harvest tax regime.

Refers the Act to the people for their approval or rejection at the next general election.

## A BILL FOR AN ACT

1  
2 Relating to timber taxation; creating new provisions; amending ORS 321.005, 321.011, 321.550,  
3 321.560, 321.570, 321.580, 321.600, 321.609, 321.682, 321.684, 321.824, 321.991, 350.525, 477.281,  
4 477.750, 477.755, 477.760, 526.060, 526.490 and 526.675; repealing ORS 321.015, 321.017, 321.045,  
5 321.145, 321.152 and 321.185 and sections 4, 5, 6 and 7, chapter 31, Oregon Laws 2022; and pro-  
6 viding that this Act shall be referred to the people for their approval or rejection.

7 Whereas protecting the lives of Oregonians and the safety and well-being of Oregon communities  
8 is at the heart of state government's highest responsibility; and

9 Whereas Oregon has in recent years experienced increased drought, heat and wind conditions  
10 that are a central cause of historically enormous and destructive wildfires; and

11 Whereas many of those wildfires have devastated Oregon communities, causing loss of human  
12 life and enormous human suffering, immense economic costs, a growing crisis in the availability of  
13 affordable property insurance and persistent smoke episodes that substantially harm human health;  
14 and

15 Whereas the predominance of science-based forecasts indicates a continuation or intensification  
16 of climatic conditions that make Oregon landscapes increasingly susceptible to catastrophic fires  
17 into the indefinite future; and

18 Whereas the Legislative Assembly and the Governor responded to these developments in 2021  
19 by enacting chapter 592, Oregon Laws 2021 (Enrolled Senate Bill 762), which appropriately invested  
20 approximately \$200 million in wildfire programs for the 2021-2023 biennium; and

21 Whereas the 50 percent reduction in the 2023-25 biennium from the 2021-2023 investment made  
22 under SB 762 clearly indicates that the general fund capacity for wildfire program appropriations  
23 falls far short of levels needed to responsibly protect Oregonians and their communities; and

24 Whereas the total annual taxation of timber harvest in Oregon is currently a small percentage  
25 of what it was in the 1990s when local governments received substantial payments from a timber  
26 severance tax; and

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 Whereas the loss of timber-related revenues has made it increasingly difficult for financially  
 2 distressed Oregon counties to reliably provide essential services to their residents; and

3 Whereas a significant majority of Oregon’s drinking water supplies are sourced from forested  
 4 watersheds, and recent studies link industrial forest practices with adverse impacts on the quality  
 5 and quantity of some of those water supplies, including dramatic reduction of stream flows in coastal  
 6 watersheds; and

7 Whereas the timber industry in Oregon comprises companies that markedly differ in size and  
 8 profitability, such that a tiered tax structure is more likely than a single flat tax structure to sustain  
 9 jobs and economic benefits for Oregon communities as well as viable economic circumstances for  
 10 small forestland owners; and

11 Whereas Oregonians care deeply about the safety and well-being of their communities and de-  
 12 serve a role in determining how services needed to secure those objectives should be funded on an  
 13 ongoing basis; and

14 Whereas the Legislative Assembly finds it appropriate to submit to Oregon voters for their ap-  
 15 proval this Fire Safe Homes, Communities, Forest and Drinking Water Protection Act of 2024; now,  
 16 therefore,

17 **Be It Enacted by the People of the State of Oregon:**

18  
 19 **TIMBER SEVERANCE TAX**  
 20

21 **SECTION 1. (1) The purpose of this section is to provide permanent funding for forests,**  
 22 **fire safe communities, county services and drinking water protection through a timber**  
 23 **severance tax assessed on the sale of timber harvested on private land.**

24 **(2) As used in this section “common ownership” means:**

25 **(a) For entities, ownership in which a common parent holds a controlling interest of**  
 26 **more than 50 percent of an entity as determined by law.**

27 **(b) For individuals, ownership in which an individual has a controlling interest of more**  
 28 **than 50 percent of an entity as determined by law.**

29 **(3) A tax on the gross proceeds from the sale of unprocessed timber harvested on private**  
 30 **land in this state is imposed at a rate determined under subsection (4) of this section.**

31 **(4)(a) Except as provided in paragraph (b) of this subsection, the rate of the tax imposed**  
 32 **on gross proceeds under this section shall be based on the number of acres of private land**  
 33 **in excess of 500 acres held in common ownership according to the following schedule:**

34 **(A) Tier 1: More than 500 acres and not more than 1,000 acres: One percent.**

35 **(B) Tier 2: More than 1,000 acres and not more than 2,500 acres: Two percent.**

36 **(C) Tier 3: More than 2,500 acres and not more than 5,000 acres: Four percent.**

37 **(D) Tier 4: More than 5,000 acres: Six percent.**

38 **(b) For any entity that receives forest management certification from the Forest**  
 39 **Stewardship Council, the rate of the tax shall be:**

40 **(A) Tier 1: 0.6 percent.**

41 **(B) Tier 2: 1.6 percent.**

42 **(C) Tier 3: 3.6 percent.**

43 **(D) Tier 4: 5.7 percent.**

44 **(c) The State Forestry Department shall determine:**

45 **(A) The number of acres held in common ownership by an entity or individual.**

1 (B) Eligibility for the discounts described in paragraph (b) of this subsection.

2 **SECTION 2.** (1) The tax imposed under section 1 of this 2024 Act shall be due and payable  
3 annually, on or before April 15, for the preceding calendar year. The tax shall be delinquent  
4 if not paid by the due date, which shall be determined without regard to any extension of  
5 time for filing the return.

6 (2)(a) Subject to the provisions relating to estimated tax payments provided in sub-  
7 sections (4) and (5) of this section, on or before April 15, each taxpayer shall:

8 (A) Make out a return on the form prescribed by the Department of Revenue showing  
9 the amount of the tax for which the taxpayer is liable for the preceding calendar year and  
10 the other information the department considers necessary to correctly determine the tax  
11 due; and

12 (B) Mail or deliver the return, together with a remittance for the amount of the tax, to  
13 the department.

14 (b) The return shall be signed and verified by the taxpayer or a duly authorized agent of  
15 the taxpayer.

16 (c) Whenever in its judgment good cause exists, the department may allow upon written  
17 application made on or before the due date further time not exceeding 30 days for filing a  
18 return.

19 (3) All payments received under this section shall be credited, first, to penalty and in-  
20 terest accrued, and then to tax due.

21 (4)(a) Each taxpayer expecting to incur a liability pursuant to this section in excess of  
22 \$1,500 for any calendar year shall, on forms prescribed by the Department of Revenue, make  
23 and file with the department on or before the last day of the month following the end of each  
24 calendar quarter an estimate of the taxpayer's tax liability for the year.

25 (b) At least one-quarter of the estimated tax shall be remitted to the department with  
26 each estimated tax report and the balance shall be remitted to the department on or before  
27 the last day of January of the following calendar year, without regard to any extension of  
28 time for filing the return.

29 (5)(a) If the amount remitted with an estimated tax report filed on or before the due date  
30 thereof is at least 25 percent of the tax of the taxpayer as due for the calendar year pre-  
31 ceding the year for which the report is made or at least 20 percent of the taxpayer's tax li-  
32 ability as due for the year for which the report is made, or 100 percent of the tax liability  
33 on the gross proceeds from the sale of unprocessed timber harvested on private land for the  
34 calendar quarter preceding the due date of the estimated tax report, no penalty or interest  
35 shall be charged.

36 (b) Otherwise a penalty in the form of interest at the rate established under ORS 305.220  
37 shall be assessed for the period of delinquency calculated on the difference between the  
38 payment made and the payment that would have been due had the taxpayer estimated the  
39 liability for the quarter in an amount equal to the liability as due for such quarter.

40 (c) The provisions of ORS chapters 305 and 314 relating to penalties and interest shall  
41 not apply to the estimated tax payments described in this section.

42 **SECTION 3.** (1) The revenue from the tax imposed under section 1 of this 2024 Act shall  
43 be remitted to the State Treasurer who shall deposit it in a suspense account established  
44 under the provisions of ORS 293.445.

45 (2)(a) Notwithstanding the provisions of ORS 291.238, the amount of moneys necessary

1 to pay refunds of the tax imposed under section 1 of this 2024 Act hereby is appropriated  
 2 continuously to the Department of Revenue from the suspense account referred to in sub-  
 3 section (1) of this section and shall be used by the department for the payment of all refunds  
 4 of the tax that have been audited and approved by the department.

5 (b) Any penalties, interest and tax then due from the taxpayer shall be applied in that  
 6 order in computing any refund, and only the balance due the taxpayer, if any, shall be re-  
 7 funded.

8 (c) The department shall on its records charge each refund against the revenue from the  
 9 tax with respect to which the refund is made.

10 **SECTION 4.** (1) Subject to section 3 (2) of this 2024 Act, moneys remaining in the De-  
 11 partment of Revenue's suspense account, referred to in section 3 of this 2024 Act, on Feb-  
 12 ruary 10, May 10, August 10 and November 10 of each year shall be transferred as follows:

13 (a) Twenty-five percent to the State Forestry Department for deposit in the Fire Safe  
 14 Homes, Communities, Forest and Drinking Water Protection Subaccount established under  
 15 ORS 526.060.

16 (b) Twenty-five percent to the State Fire Marshal for deposit in the State Fire Marshal  
 17 Fund established under ORS 476.055.

18 (c) Forty percent to the governing bodies of the counties from which the tax revenues  
 19 are received.

20 (d) Ten percent to the Oregon Watershed Enhancement Board for deposit in the Natural  
 21 Resources Subaccount established under ORS 541.942.

22 (2)(a) After withholding from the net revenues received under subsection (1)(a) of this  
 23 section the actual costs of the State Forestry Department in administering the tax and ver-  
 24 ifying certification by the Forest Stewardship Council for purposes of the discount allowable  
 25 under section 1 (4)(b) of this 2024 Act, the department shall distribute the net moneys for  
 26 purposes of:

27 (A) Administering the Oregon Forest Practices Act;

28 (B) Wildfire workforce development and outreach programs for kindergarten through  
 29 grade 12 public education and universities by Oregon State University in collaboration with  
 30 the Higher Education Coordinating Commission; and

31 (C) Collaboration between the Oregon Conservation Corps Program and the Higher Edu-  
 32 cation Coordinating Commission.

33 (b) Moneys distributed by the State Forestry Department under paragraph (a) of this  
 34 subsection may not exceed the level of funding budgeted for each respective program listed  
 35 in paragraph (a)(A), (B) and (C) for the 2023-2025 biennium, adjusted biennially for inflation  
 36 since 2025 based on the Consumer Price Index for All Urban Consumers, West Region (All  
 37 Items), as published by the Bureau of Labor Statistics of the United States Department of  
 38 Labor.

39 (c) Any moneys received by the department under subsection (1)(a) of this section that  
 40 exceed the amounts distributed in accordance with paragraphs (a) and (b) of this subsection  
 41 may be used for prescribed burn programs and, in collaboration with other state agencies,  
 42 public health programs related to hazardous wildfire smoke incidents.

43 (3) The State Fire Marshal shall use the net revenues received under subsection (1)(b)  
 44 of this section for any activities delegated to the State Fire Marshal under law, with an  
 45 emphasis on community risk reduction programs, including, but not limited to, home as-

1 assessments and activities to increase the fire readiness of buildings and their surrounding  
 2 landscapes, implemented in collaboration with local governments, firefighting organizations  
 3 and private property owners.

4 (4)(a) Moneys distributed to counties under subsection (1)(c) of this section shall be al-  
 5 located to each respective county in the proportion that the volume of unprocessed timber  
 6 subject to the tax that is harvested on land in the county bears to the volume of unprocessed  
 7 timber subject to the tax that is harvested on land in all the counties from which the tax  
 8 revenues are received.

9 (b) The use by the counties of the moneys distributed under this subsection is unre-  
 10 stricted.

11 (5) Moneys distributed to the Oregon Watershed Enhancement Board under subsection  
 12 (1)(d) of this section shall be used for the purposes of restoration, enhancement and water  
 13 quantity and quality protection projects, with particular focus on protecting domestic water  
 14 supplies and habitat conservation.

15  
 16 **REPEAL OF THE FOREST PRODUCTS HARVEST TAX**

17  
 18 **SECTION 5.** (1) ORS 321.015, 321.017, 321.045, 321.145, 321.152 and 321.185 are repealed.

19 (2) Sections 4, 5, 6 and 7, chapter 31, Oregon Laws 2022, are repealed.

20  
 21 **SUBACCOUNT FOR SEVERANCE TAX REVENUE**

22  
 23 **SECTION 6.** ORS 526.060 is amended to read:

24 526.060. (1) Except as provided in ORS 526.121, 530.147 and 530.280, all assessments, federal ap-  
 25 portionments or contributions, and other moneys received by the forester or State Board of Forestry,  
 26 shall be paid into the State Treasury and credited to the State Forestry Department Account, which  
 27 is established separate and distinct from the General Fund. All moneys in the State Forestry De-  
 28 partment Account are continuously appropriated, and shall be used by the forester, under the  
 29 supervision and direction of the board, for the purposes authorized by law.

30 (2) The forester shall keep a record of all moneys deposited in the State Forestry Department  
 31 Account. The record shall indicate by separate cumulative accounts the source from which the  
 32 moneys are derived and the individual activity or program against which each withdrawal is  
 33 charged. All moneys in the account received pursuant to ORS 527.610 to 527.770 and 527.992 shall  
 34 be used only for carrying out the duties, functions and powers of the State Forestry Department in  
 35 administering ORS 527.610 to 527.770 and 527.992.

36 (3) The Urban and Community Forestry Subaccount is established as a subaccount of the State  
 37 Forestry Department Account. Moneys in the Urban and Community Forestry Subaccount are con-  
 38 tinuously appropriated to the State Forestry Department to be used for urban and community forest  
 39 activities described in ORS 469.634 and 469.652.

40 (4) The State Forest Enhancement Donation Subaccount is established as a subaccount to the  
 41 State Forestry Department Account. Moneys in the State Forest Enhancement Donation Subaccount  
 42 are continuously appropriated to the State Forestry Department to be used for the purposes de-  
 43 scribed in ORS 526.065.

44 (5) The State Forest Nursery Subaccount is established as a subaccount to the State Forestry  
 45 Department Account. Moneys in the State Forest Nursery Subaccount are continuously appropriated

1 to the State Forestry Department to be used for the purposes described in ORS 526.235.

2 (6) The State Forest Tree Seed Bank Subaccount is established as a subaccount to the State  
3 Forestry Department Account. Moneys in the State Forest Tree Seed Bank Subaccount are contin-  
4 uously appropriated to the State Forestry Department to be used for the purposes described in ORS  
5 526.470.

6 (7) The State Forest Tree Seed Orchard Subaccount is established as a subaccount to the State  
7 Forestry Department Account. Moneys in the State Forest Tree Seed Orchard Subaccount are con-  
8 tinuously appropriated to the State Forestry Department to be used for the purposes described in  
9 ORS 526.472.

10 **(8) The Fire Safe Homes, Communities, Forest and Drinking Water Protection Subac-**  
11 **count is established as a subaccount to the State Forestry Department Account. Moneys in**  
12 **the Fire Safe Homes, Communities, Forest and Drinking Water Protection Subaccount are**  
13 **continuously appropriated to the State Forestry Department to be used for the purposes**  
14 **described in section 4 (2) of this 2024 Act.**

15 [(8)] (9) Notwithstanding ORS 291.238, the moneys credited to the subaccounts established under  
16 subsections (5), (6), [and] (7) **and** (8) of this section shall be continuously available on a revolving  
17 basis.

18  
19 **CONFORMING AMENDMENTS**

20  
21 **SECTION 7.** ORS 321.005 is amended to read:

22 321.005. As used in [ORS 321.005 to 321.185,] 321.560 to 321.600 and 477.440 to 477.460, unless  
23 the context requires otherwise:

24 [(1) “Board” means the State Board of Forestry.]

25 [(2) “Protected forestlands” means those lands which are protected from the starting or spread of  
26 fire thereon or therefrom by:]

27 [(a) The State Forester, with the approval of the board;]

28 [(b) The United States of America through contract with the State Forester;]

29 [(c) Any forest protective agency under contract with the State Forester or the board pursuant to  
30 ORS 477.406; or]

31 [(d) Any forest protective agency, described in paragraph (c) of this subsection, under an agreement  
32 with the United States of America wherein such agency agrees to protect specific federal forestlands  
33 and, in return, the United States of America agrees to protect specific lands of such agency.]

34 [(3) “Department” means the Department of Revenue.]

35 [(4) “Committee” means the Emergency Fire Cost Committee.]

36 [(5)] (1) “Forestland” means any land producing forest products.

37 [(6)] (2) “Forest products” means products from harvested timber, but does not include products  
38 from short rotation fiber grown under agricultural conditions as described in ORS 321.267 (3) or  
39 321.824 (3), western juniper or products from harvested western juniper.

40 [(7)] (3) “Harvest” means the point at which timber that has been cut, severed, or removed for  
41 purposes of sale or use is first measured in the ordinary course of business as determined by refer-  
42 ence to common practice in the timber industry.

43 [(8) “Merchantable stand of timber” means any stand on forestlands containing living or dead  
44 timber which is being or can be harvested.]

45 [(9)] (4) “Taxpayer” means the owner of timber at time of harvest.

1 [(10) "Taxes" means the taxes provided for in ORS 321.015.]

2 [(11)] (5) "Owner of timber" means any individual or combination of individuals, partnership,  
3 firm, corporation or association of whatever nature holding title to harvested timber by virtue of:

4 (a) An instrument of conveyance;

5 (b) The harvesting of the timber; or

6 (c) The harvesting of the timber and payment therefor.

7 [(12)] (6) "Timber" means all logs which can be measured in board feet and other forest products  
8 as determined by [department] **the Department of Revenue** rule.

9 **SECTION 8.** ORS 321.011 is amended to read:

10 321.011. The prevention and suppression of forest fires on forestlands for the preservation of  
11 forest resources and the continuous growth of timber on lands suitable therefor are declared to be  
12 the public policy of the State of Oregon. The Legislative Assembly recognizes that:

13 (1) The forested areas situated within eastern Oregon predominate in Ponderosa pine trees and  
14 associated species, and that the forested areas situated within western Oregon predominate in  
15 Douglas fir and associated species;

16 (2) Because of this difference in species, different forest fire protection problems exist in eastern  
17 and western Oregon, and different logging conditions and circumstances in each necessitate varied  
18 forest practices in the disposal of forest slashings and debris; and

19 (3) Therefore, in order to give recognition to such differences and their effect on the accom-  
20 plishment of the public policy stated in this section, certain classifications of forestlands within the  
21 State of Oregon are established by ORS [321.005 to 321.185 and] 321.560 to 321.600.

22 **SECTION 9.** ORS 321.550 is amended to read:

23 321.550. (1) No person shall harvest or cause to be harvested any timber from land in Oregon  
24 without first having notified the State Forester in writing with a copy to the Department of Revenue  
25 on forms prepared by the State Forester and the department of intent to harvest pursuant to ORS  
26 [321.005 to 321.185,] 321.560 to 321.600 [and] **or** 321.700 to 321.754 **or sections 1 to 4 of this 2024**  
27 **Act.**

28 (2) The notification shall specify where and when the harvest will take place and the nature of  
29 the harvest and shall include maps and other data as required by the State Forester and the de-  
30 partment. The department shall establish by rule procedures to assure the receipt of the tax returns  
31 sent out or a report of nonharvest from the person. The department shall conduct field and office  
32 audits to ascertain the correctness of any timber tax return.

33 (3)(a) If a person fails to file a written notice as required in subsection (1) of this section with  
34 respect to any harvest over 5,000 board feet, the department shall notify the person. If, after the  
35 person has been notified, the person fails to file a written notice as required in subsection (1) of this  
36 section with respect to any subsequent harvest over 5,000 board feet, there shall be added to the  
37 amount of the timber tax required to be shown on the return as a result of the subsequent harvest  
38 a delinquency penalty of \$250 for each violation occurring within a calendar year. The department  
39 shall collect the penalty in the same manner as taxes are collected.

40 (b) No penalty shall be imposed under this subsection if a penalty for failure to file the notice  
41 with the State Forester has been imposed under ORS 527.992.

42 (c) The delinquency penalty shall first be added to the small tract forestland timber severance  
43 tax imposed under ORS 321.700 to 321.754, if applicable to the harvest. If the small tract forestland  
44 timber severance tax is not applicable, the delinquency penalty shall be added to the [forest products  
45 harvest] tax imposed under [ORS 321.005 to 321.185] **sections 1 to 4 of this 2024 Act.**

1       **SECTION 10.** ORS 321.560 is amended to read:

2       321.560. (1) The provisions of ORS chapters 305 and 314 as to the audit and examination of re-  
3       ports and returns, determination of deficiencies, liens, assessments, claims for refund, conferences  
4       and appeals to the Oregon Tax Court, and the procedures relating thereto, apply to the determi-  
5       nation of taxes, penalties and interest imposed under ORS [321.005 to 321.185,] 321.560 to 321.600 or  
6       321.700 to 321.754 **or sections 1 to 4 of this 2024 Act**, except where the context requires otherwise.

7       (2) If a taxpayer fails to file a return required by ORS [321.045 or] 321.700 to 321.754 **or section**  
8       **2 of this 2024 Act**, or fails to pay a tax at the time the tax becomes due, there shall be added to  
9       the amount of tax required to be shown on the return a delinquency penalty of five percent of the  
10      amount of such tax.

11      (3) If the failure to file a return continues for a period in excess of three months after the due  
12      date, there shall be added to the amount of tax required to be shown on the return a failure to file  
13      penalty of 20 percent of the amount of such tax. This penalty is in addition to the delinquency  
14      penalty imposed by subsection (2) of this section.

15      (4) If all or any part of the delinquency or deficiency for which a determination is made is due  
16      to fraud or an intent to evade the provisions of ORS [321.005 to 321.185,] 321.560 to 321.600 or  
17      321.700 to 321.754 **or sections 1 to 4 of this 2024 Act**, or the rules adopted thereunder, a penalty  
18      of 100 percent of such delinquency or deficiency shall be added, plus interest at the rate established  
19      under ORS 305.220, computed on the full amount of the delinquency or deficiency plus penalty, from  
20      the time the return was due.

21      (5) For purposes of this section, the amount of tax required to be shown on the return shall be  
22      reduced by the amount of any part of the tax that is paid on or before the date prescribed for pay-  
23      ment of the tax and by the amount of any credit against the tax that may be lawfully claimed upon  
24      the return.

25      (6) A delinquent tax or a deficiency shall bear interest at the rate established under ORS 305.220  
26      from the time the return was due.

27      **SECTION 11.** ORS 321.570 is amended to read:

28      321.570. (1) If any tax imposed [by ORS 321.005 to 321.185,] **under ORS** 321.560 to 321.600 or  
29      321.700 to 321.754 **or sections 1 to 4 of this 2024 Act**, or any portion of the tax, is not paid within  
30      30 days after the date that the written notice and demand for payment required under ORS 305.895  
31      is mailed, the Department of Revenue may issue a warrant for the payment of the amount of the tax,  
32      with the added penalties, interest and cost of executing the warrant. A copy of the warrant shall  
33      be mailed or delivered to the taxpayer by the department at the taxpayer's last-known address.

34      (2) At any time after issuing a warrant under this section, the department may record the war-  
35      rant in the County Clerk Lien Record of any county of this state. Recording of the warrant has the  
36      effect described in ORS 205.125. After recording a warrant, the department may direct the sheriff  
37      for the county in which the warrant is recorded to levy upon and sell the real and personal property  
38      of the taxpayer found within that county, and to levy upon any currency of the taxpayer found  
39      within that county, for the application of the proceeds or currency against the amount reflected in  
40      the warrant and the sheriff's cost of executing the warrant. The sheriff shall proceed on the warrant  
41      in the same manner prescribed by law for executions issued against property pursuant to a judg-  
42      ment, and is entitled to the same fees as provided for executions issued against property pursuant  
43      to a judgment. The fees of the sheriff shall be added to and collected as a part of the warrant li-  
44      ability.

45      (3) In the discretion of the department a warrant under this section may be directed to any



1 agent authorized by the department to collect this tax. In the execution of the warrant the agent  
 2 has the powers conferred by law upon sheriffs, but is entitled to no fee or compensation in excess  
 3 of actual expenses paid in the performance of such duty.

4 (4) Until a warrant issued under this section is satisfied in full, the department has the same  
 5 remedies to enforce the claim for taxes against the taxpayer as if the state had recovered judgment  
 6 against the taxpayer for the amount of the tax.

7 **SECTION 12.** ORS 321.580 is amended to read:

8 321.580. If any taxpayer neglects or refuses to make a return required to be made [by ORS  
 9 321.005 to 321.185,] **under ORS 321.560 to 321.600 or 321.700 to 321.754 or sections 1 to 4 of this**  
 10 **2024 Act**, the Department of Revenue is authorized to determine the tax due, based upon any in-  
 11 formation in its possession or that may come into its possession. The department shall give the  
 12 taxpayer written notice of the tax and delinquency charges and the tax and delinquency charges  
 13 shall be a lien from the time of severance. If the tax and delinquency charges are not paid within  
 14 30 days from the mailing of the notice, the department shall proceed to collect the tax in the manner  
 15 provided in ORS 321.570.

16 **SECTION 13.** ORS 321.600 is amended to read:

17 321.600. All taxes, interest and penalties due and unpaid under ORS [321.005 to 321.185,] 321.560  
 18 to 321.600 or 321.700 to 321.754 **or sections 1 to 4 of this 2024 Act** constitute a debt due the State  
 19 of Oregon and may be collected, together with interest, penalty and costs, by appropriate judicial  
 20 proceeding, which remedy is in addition to all other existing remedies. However, no proceeding for  
 21 the collection of taxes under ORS [321.005 to 321.185,] 321.560 to 321.600 or 321.700 to 321.754 **or**  
 22 **sections 1 to 4 of this 2024 Act** shall be instituted after the expiration of six years from the date  
 23 the taxes were due.

24 **SECTION 14.** ORS 321.609 is amended to read:

25 321.609. (1) ORS [321.005 to 321.185,] 321.560 to 321.600 and 321.700 to 321.754 **and sections 1**  
 26 **to 4 of this 2024 Act** shall be enforced and the taxes imposed [by ORS 321.005 to 321.185,] **under**  
 27 **ORS 321.560 to 321.600 and 321.700 to 321.754 and sections 1 to 4 of this 2024 Act** shall be col-  
 28 lected by the Department of Revenue, which shall have the power to prescribe forms and to adopt  
 29 rules for the ascertainment, assessment and collection of the taxes imposed [by ORS 321.005 to  
 30 321.185,] **under ORS 321.560 to 321.600 or 321.700 to 321.754 or sections 1 to 4 of this 2024 Act.**

31 (2) For the purpose of determining the taxes imposed [by ORS 321.005 to 321.185,] **under ORS**  
 32 **321.560 to 321.600 or 321.700 to 321.754 or sections 1 to 4 of this 2024 Act**, the department may:

33 (a) Require any person to furnish any information deemed necessary.

34 (b) Examine the books, records and files of such person.

35 (c) Subpoena and examine witnesses and administer oaths.

36 (d) Enter upon and inspect the land of any owner of the land from which any timber has been  
 37 harvested.

38 **SECTION 15.** ORS 321.682 is amended to read:

39 321.682. (1)(a) Except as otherwise specifically provided by law, it shall be unlawful for the  
 40 Department of Revenue or any officer or employee of the department to divulge or make known in  
 41 any manner the amount of the tax or any particulars set forth or disclosed in any report or return  
 42 required to be filed under ORS [321.045 or] 321.741 **or section 2 of this 2024 Act** or any appraisal  
 43 data collected to make determinations of specially assessed value of forestland pursuant to ORS  
 44 321.201 to 321.222.

45 (b) It shall be unlawful for any person or entity to whom information is disclosed or given by

1 the department pursuant to ORS 321.684 (2) or any other provision of state law to divulge or use  
2 such information for any purpose other than that specified in the provisions of law authorizing the  
3 use or disclosure.

4 (c) No subpoena or judicial order shall be issued compelling the department or any of its officers  
5 or employees, or any person who has acquired information pursuant to ORS 321.684 (2) or any other  
6 provision of state law, to divulge or make known the amount of tax or any particulars set forth or  
7 disclosed in any report or return except where the taxpayer's liability for timber tax is to be adju-  
8 dicated by the court from which such process issues.

9 (2) As used in this section, "officer," "employee" or "person" includes an authorized represen-  
10 tative of the officer, employee or person, or any former officer, employee or person, or an authorized  
11 representative of such former officer, employee or person.

12 **SECTION 16.** ORS 321.684 is amended to read:

13 321.684. (1) The Department of Revenue may:

14 (a) Furnish to any taxpayer or authorized representative, upon request of the taxpayer or au-  
15 thorized representative, a copy of the taxpayer's [*forest products harvest tax*] report or return re-  
16 quired [*by ORS 321.045 or*] **under ORS 321.741 or section 2 of this 2024 Act** that is filed with the  
17 department for any year, or a copy of any report filed by the taxpayer in connection with the return.

18 (b) Publish a list of taxpayers who are entitled to unclaimed tax refunds.

19 (c) Publish statistics classified so as to prevent the identification of taxable value or any par-  
20 ticulars contained in any report or return.

21 (d) Disclose a taxpayer's name, address and Social Security number or employer identification  
22 number to the extent necessary in connection with the processing and mailing of forms for any re-  
23 port or return required in the administration of ORS [*321.045 and*] 321.741 **or section 2 of this 2024**  
24 **Act.**

25 (e) Disclose to the State Forester, upon request of the forester, for the purpose of soliciting  
26 nominations and recommendations referred to in ORS 526.610, the names of producers meeting pro-  
27 ducer class qualifications established under ORS 526.610 who filed [*forest products harvest*] tax re-  
28 turns **under section 2 of this 2024 Act.**

29 (f) Disclose appraisal data collected to make determinations of specially assessed value of  
30 forestland under ORS 321.201 to 321.222 to any member of a forestland value advisory committee the  
31 department has convened under ORS 321.213.

32 (2) The department also may disclose and give access to information described in ORS 321.682  
33 to:

34 (a) The Commissioner of Internal Revenue or authorized representative, for tax purposes only.

35 (b) The United States Forest Service, Bureau of Land Management and the State Forestry De-  
36 partment pursuant to their regulatory programs and for investigative purposes related to timber  
37 theft.

38 (c) The Attorney General, assistants and employees in the Department of Justice or other legal  
39 representative of the State of Oregon, to the extent the department considers disclosure or access  
40 necessary for the performance of the duties of advising or representing the department pursuant to  
41 ORS [*321.045 and*] 321.741 **and section 2 of this 2024 Act.**

42 (d) Employees of the State of Oregon, other than the Department of Revenue or Department of  
43 Justice, to the extent the department considers disclosure or access necessary for such employees  
44 to perform their duties under contracts or agreements between the department and any other de-  
45 partment, agency or subdivision of the State of Oregon in the department's administration of the tax

1 laws.

2 (e) The Legislative Revenue Officer or the authorized representative of the Legislative Revenue  
3 Officer upon compliance with ORS 173.850. The officer or representative may not remove from the  
4 premises of the department any materials that would reveal the identity of any taxpayer or any  
5 other person or the volume of harvest and value reported on individual returns and reports.

6 (f) Any agency of the State of Oregon, or any person, or any officer or employee of the agency  
7 or person to whom disclosure or access is given by state law and not otherwise referred to in this  
8 section, including but not limited to the Secretary of State as Auditor of Public Accounts under  
9 section 2, Article VI of the Constitution of the State of Oregon.

10 (3) Each officer or employee of the department and each person described or referred to in  
11 subsection (2)(b) to (f) of this section to whom disclosure or access to the tax information is given  
12 under subsection (2) of this section or any other provision of state law, prior to beginning employ-  
13 ment or the performance of duties involving such disclosure or access, shall be advised in writing  
14 of the provisions of ORS 321.682 and 321.686 relating to penalties for the violation of ORS 321.682,  
15 and shall, as a condition of employment or performance of duties, execute a certificate for the de-  
16 partment, in a form prescribed by the department, stating in substance that the person has read  
17 these provisions of law, that the person has had them explained and that the person is aware of the  
18 penalties for the violation of ORS 321.682.

19 **SECTION 17.** ORS 321.824 is amended to read:

20 321.824. (1) Lands assessed by the Department of Revenue pursuant to ORS 308.505 to 308.674  
21 or 308.805 to 308.820 may not be assessed under ORS 321.805 to 321.855.

22 (2) Land used exclusively for growing cultured Christmas trees may not be assessed under ORS  
23 321.805 to 321.855.

24 (3) Land that is used to grow hardwood timber, including but not limited to hybrid cottonwood,  
25 may not be assessed under ORS 321.805 to 321.855 if:

26 (a) The land is prepared using intensive cultivation methods and is cleared of competing vege-  
27 tation for at least three years after tree planting;

28 (b) The timber is of a species marketable as fiber for inclusion in the furnish for manufacturing  
29 paper products;

30 (c) The timber is harvested on a rotation cycle within 12 years after planting; and

31 (d) The land and timber are subject to intensive agricultural practices such as fertilization, in-  
32 sect and disease control, cultivation and irrigation.

33 (4) Nothing contained in ORS 321.805 to 321.855 shall prevent:

34 (a) The collection of ad valorem property taxes that became a lien against timber prior to July  
35 1, 1962.

36 (b) The collection of taxes, charges or assessments made pursuant to law for protection.

37 (c) The collection of taxes levied under [*the provisions of ORS 321.005 to 321.185 and*] **ORS**  
38 **321.560 to 321.600 or sections 1 to 4 of this 2024 Act.**

39 **SECTION 18.** ORS 321.991 is amended to read:

40 321.991. Violation of any provision of ORS [*321.005 to 321.185 and*] 321.560 to 321.600 **and**  
41 **sections 1 to 4 of this 2024 Act** is a Class A misdemeanor.

42 **SECTION 19.** ORS 526.490 is amended to read:

43 526.490. (1) It is the policy of the State of Oregon to encourage the afforestation of idle land for  
44 the purpose of establishing commercial forests if such afforestation is consistent with landowner  
45 objectives. The purpose of this section is to provide an incentive for afforestation by providing as-

1 surance that the State of Oregon will not prohibit the harvesting of trees planted on such lands  
2 within the first crop rotation.

3 (2) As used in this section:

4 (a) "Free to grow" means a stand of well-distributed trees that has a high probability of re-  
5 maining or becoming vigorous, healthy and dominant over undesired competing vegetation.

6 (b) **"Merchantable stand of timber" means any stand on forestlands containing living or  
7 dead timber which is being or can be harvested.**

8 [(b)] (c) "Parcel" has the meaning given that term in ORS 92.010.

9 (3) Notwithstanding ORS 527.676, 527.710 or 527.755 or any rules promulgated thereunder, and  
10 except as provided in subsection (4) of this section, a person who, after September 9, 1995, plants  
11 or causes to be planted a stand of timber that is intended to become a merchantable stand of timber  
12 [as defined in ORS 321.005] on a parcel owned by the person, or a portion of such parcel not less  
13 than five contiguous acres, shall not be prohibited from harvesting the planted timber provided that:

14 (a) Prior to the time of planting, the parcel or portion thereof has not been subject to any forest  
15 practice as defined in ORS 527.620 since July 1, 1972; and

16 (b) Prior to the time of planting, the stocking of forest tree species on the subject parcel or  
17 portion thereof is less than 25 square feet of basal area per acre.

18 (4) The provisions of subsection (3) of this section shall not apply to any land or timber located  
19 within 20 feet of any large or medium stream, or any small stream that is a fish-bearing or domestic  
20 use stream, as defined by the State Board of Forestry.

21 (5)(a) If, within two to five years of planting under subsection (3) of this section, the person  
22 notifies the State Forester, the State Forester shall inspect the timber and shall issue a certificate  
23 to the owner indicating that a free to grow stand of timber has been established under subsection  
24 (3) of this section and identifying the location of the timber. Upon request of the owner and payment  
25 of any applicable fee, the county clerk in the county wherein the parcel is located shall record the  
26 certificate as specified under ORS 205.130.

27 (b) A person who notifies the State Forester and requests certification shall provide an accurate  
28 plat of the parcel or portion planted under subsection (3) of this section to the State Forester as  
29 well as photographs that accurately depict the condition of the land prior to planting.

30 (c) The State Forester may, by rule, establish a fee or schedule of fees adequate to cover such  
31 necessary expenses incurred by the State Forester in conducting inspection and certification activ-  
32 ities. Fees may be charged to the person requesting certification.

33 (6)(a) Except as provided in subsection (3) of this section, all forest practices conducted on the  
34 planted parcel or portion thereof shall be subject to the provisions of ORS 527.610 to 527.770, 527.990  
35 (1) and 527.992.

36 (b) No parcel or portion of such parcel shall be subject to the provisions of subsections (3) and  
37 (5) of this section more than once.

38 **SECTION 20.** ORS 477.281 is amended to read:

39 477.281. (1) The obligation of an owner of timberland or grazing land for payment of assessments  
40 and taxes for fire protection of forestland is limited to:

41 (a) The payment of moneys pursuant to ORS [321.015 (2),] 477.277, 477.295, 477.760 (4) and  
42 477.880 to maintain the Oregon Forest Land Protection Fund; and

43 (b) The payment of forest protection district assessments pursuant to ORS 477.205 to 477.281.

44 (2) As used in this section, "obligation of an owner of timberland or grazing land for payment  
45 of assessments and taxes for fire protection of forestland" does not include the duties or obligations

1 of the owner under ORS 477.066, 477.068 or 477.120 or the obligations of an owner of land included  
2 in a rural fire protection district pursuant to ORS 478.010.

3 **SECTION 21.** ORS 477.750 is amended to read:

4 477.750. *[(1)]* The Oregon Forest Land Protection Fund is created, separate and distinct from the  
5 General Fund. This fund shall be held by the State Treasurer as a trust fund for the uses and pur-  
6 poses provided in ORS 477.750 to 477.775 and 477.880. The State Treasurer shall deposit and invest  
7 moneys in the fund as provided by law, taking into account its uses and purposes. Interest earned  
8 by the fund shall be credited to the fund.

9 *[(2) Notwithstanding any other law and as limited by ORS 477.750 to 477.775 and 477.880, that*  
10 *part of the suspense account created by ORS 321.145 that is derived from the tax levied by ORS*  
11 *321.015 (2) after refunds and other costs permitted by law, shall be credited to the Oregon Forest Land*  
12 *Protection Fund.]*

13 **SECTION 22.** ORS 477.755 is amended to read:

14 477.755. (1) As used in this section, “annual expenditure” means the expenses of the Oregon  
15 Forest Land Protection Fund obligated in any 12-month period designated by the Emergency Fire  
16 Cost Committee by rule, corresponding to the policy period of any insurance for emergency fire  
17 costs.

18 (2) Notwithstanding ORS 291.238, the moneys in the Oregon Forest Land Protection Fund are  
19 continuously appropriated to the Emergency Fire Cost Committee for the purposes of:

20 (a) Equalizing emergency fire suppression costs for safeguarding forestland in any forest pro-  
21 tection district;

22 (b) Paying necessary administrative expenses, not to exceed the limit authorized by the Legis-  
23 lative Assembly each biennium;

24 (c) Contributing to the payment of emergency fire suppression costs insurance premiums, subject  
25 to the payment limitation established in ORS 477.775 (4);

26 (d) Paying costs related to the availability and mobilization of emergency fire suppression re-  
27 sources on a statewide basis; and

28 (e) Paying for nonroutine purchases of supplemental fire prevention, detection or suppression  
29 resources that will enhance the ability of the forester to perform fire protection responsibilities  
30 within a forest protection district.

31 (3) Notwithstanding any other provision of law, the annual expenditure from the Oregon Forest  
32 Land Protection Fund from revenues received from ORS *[321.015 (2),]* 477.277 (1), 477.295 (1) and (2),  
33 477.750 *[(1) and (2)],* 477.760 (4) and 477.880 may not exceed the lesser of:

34 (a) \$13.5 million; or

35 (b) The sum of:

36 (A) The lesser of \$10 million or 50 percent of the eligible annual fire suppression costs deter-  
37 mined by the committee;

38 (B) Necessary administrative expenses as determined by the committee and authorized under the  
39 limit described in subsection (2)(b) of this section;

40 (C) Contributions to the payment of emergency fire suppression costs insurance premiums, sub-  
41 ject to the payment limitation established in ORS 477.775 (4);

42 (D) The lesser of \$3 million or three-fifths of the actual cost of activities described in ORS  
43 477.777 (1)(b) and (c); and

44 (E) Any amounts expended for nonroutine purchases described in subsection (2)(e) of this sec-  
45 tion.

1        **SECTION 23.** ORS 477.760 is amended to read:

2        477.760. (1) The reserve base of the Oregon Forest Land Protection Fund is \$22.5 million. On  
3 or about the last day of February of each year the Emergency Fire Cost Committee shall meet and  
4 determine the unencumbered balance of the fund as of the preceding February 16.

5        (2) In order to maintain the reserve base of the fund at \$22.5 million, the Emergency Fire Cost  
6 Committee may request and the State Treasurer may approve transfers to the fund in accordance  
7 with ORS 293.205 to 293.225, if the moneys in this fund fall below the reserve base, whether or not  
8 there are sufficient moneys in the fund to pay the obligations of the fund. Repayment of any such  
9 transfers shall be made from moneys paid into the fund pursuant to ORS [321.015 (2),] 477.277 and  
10 477.880 and from such other moneys as may be credited to the fund therefor.

11        (3) If the committee determines that the moneys in the fund exceed:

12        (a) The reserve base, and that no repayment obligations are outstanding from transfers made  
13 pursuant to subsection (2) of this section, then the Department of Revenue shall reduce [*the taxes*  
14 *described in ORS 321.015 (2) by 50 percent for the following calendar year and*] the surcharge for each  
15 improved lot or parcel described in ORS 477.277 and the assessments described in ORS 477.880 shall  
16 be reduced by 50 percent for the following fiscal year.

17        (b) \$30 million, and that no repayment obligations are outstanding from transfers made pursuant  
18 to subsection (2) of this section, then the Department of Revenue may not collect [*the taxes described*  
19 *in ORS 321.015 (2) for the following calendar year and*] the surcharge for each improved lot or parcel  
20 described in ORS 477.277 and the assessments described in ORS 477.880 may not be collected until  
21 the calendar year or fiscal year following the determination of the committee that the unencumbered  
22 balance in the fund is less than or equal to \$22.5 million.

23        (4)(a) Notwithstanding any other provision of law, if the funds referred to in subsection (2) of  
24 this section are inadequate to cover repayment of transfers from the State Treasurer or from other  
25 sources, the State Forester shall increase the following [*taxes,*] **surcharge and** assessments [*and*  
26 *charges*] in an amount adequate to ensure repayment of the transfers, and any interest accrued  
27 thereon, allowing for contingencies in valuation, assessment and collection:

28        [(A) *The harvest tax referred to in ORS 321.015 (2).*]

29        [(B)] (A) The surcharge on developed lots referred to in ORS 477.277.

30        [(C)] (B) The minimum assessment referred to in ORS 477.295.

31        [(D)] (C) The acreage assessments referred to in ORS 477.880 (2).

32        (b) The increases to [*taxes,*] **the surcharge and** assessments [*and charges*] shall be apportioned  
33 based upon the proportionate levels of revenues received from each source by the Oregon Forest  
34 Land Protection Fund. Any such increases shall be computed on or before January 1 of each year,  
35 and shall be based upon revenues received during the previous four quarters. Any such increases  
36 shall be made in the appropriate calendar or fiscal year following that in which the requested  
37 transfers from the State Treasurer or from other sources are made.

38        **SECTION 24.** ORS 350.525 is amended to read:

39        350.525. ORS 350.500 to 350.530 do not establish any obligation or expectation for the appropri-  
40 ation of General Fund moneys to the subaccount described in ORS 350.520 [*or any obligation or ex-*  
41 *pectation that moneys from forest products harvest taxes will be increased or reallocated for deposit to*  
42 *the subaccount described in ORS 350.520*].

43        **SECTION 25.** ORS 526.675 is amended to read:

44        526.675. [(1)] The Oregon Forest Resources Institute Fund is created in the State Treasury,  
45 separate and distinct from the General Fund. Except as otherwise provided by law, all moneys re-

1 ceived by the Oregon Forest Resources Institute shall be paid into the State Treasury and credited  
2 to the fund. All moneys in the fund are appropriated continuously to the institute to carry out its  
3 duties, functions and powers. Interest earnings on all moneys in the fund shall be retained in the  
4 fund.

5 *[(2) The board of directors of the institute may repay moneys from the fund to persons who paid*  
6 *a privilege tax levied under ORS 321.017. The board may repay the amount of tax paid upon applica-*  
7 *tion by the person who paid the tax. The board shall adopt rules necessary for the implementation of*  
8 *this subsection. Rules adopted by the board shall include standards for the repayment of moneys and*  
9 *limits on the amount that may be requested.]*

10  
11 **APPLICABILITY**

12  
13 **SECTION 26. Sections 1 to 4 of this 2024 Act, the amendments to ORS 321.005, 321.011,**  
14 **321.550, 321.560, 321.570, 321.580, 321.600, 321.609, 321.682, 321.684, 321.824, 321.991, 350.525,**  
15 **477.281, 477.750, 477.755, 477.760, 526.060, 526.490 and 526.675 by sections 6 to 25 of this 2024**  
16 **Act and the repeal of ORS 321.015, 321.017, 321.045, 321.145, 321.152 and 321.185 and sections**  
17 **4 to 7, chapter 31, Oregon Laws 2022 by section 5 of this 2024 Act apply to calendar years**  
18 **beginning on or after January 1, 2026.**

19  
20 **UNIT CAPTIONS NOT PART OF LAW**

21  
22 **SECTION 27. The unit captions used in this 2024 Act are provided only for the conven-**  
23 **ience of the reader and do not become part of the statutory law of this state or express any**  
24 **legislative intent in the enactment of this 2024 Act.**

25  
26 **REFERRAL TO THE 2024 GENERAL ELECTION**

27  
28 **SECTION 28. This 2024 Act shall be submitted to the people for their approval or re-**  
29 **jection at the next regular general election held throughout this state.**