

Background

The department identified three elements of House Bill 4111 that raise unanswered questions which could complicate implementation.

Defining exempt use

The new references in ORS 307.394(1)(a) to “preparing for storage or shipping” are not clear on whether it means only initial storage or any subsequent placement back into storage prior to shipping. The definition is also unclear regarding whether sorting and cleaning are to be considered exempt uses. The department has no opinion on these legislative policy questions. The department recommends clear statutory language to prevent extensive rulemaking or appeals.

Buildings and structures

The new language in ORS 307.394(2)(a) saying “including, but not limited to” and “or other real or personal farm improvements” is broad enough to include buildings. Again, the department has no opinion on whether buildings should be included. We only recommend clear statutory language to avoid unintended consequences.

Date of applicability

The department recommends a line in Section 2 such as: “The amendments to ORS 307.394 by this act are applicable to property tax years beginning on or after July 1, 2025.” If the act becomes effective in June 2024, state and county appraisers will already be well into work for the 2024-25 property tax year.

Agency Contact

Seiji T. Shiratori, Property Tax Division, seiji.shiratori@dor.oregon.gov, Phone 503-877-7932