

HB 2335 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Chris Allanach, Legislative Revenue Officer

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 1/30

WHAT THE MEASURE DOES:

Establishes the Task Force on Impacts of Ballot Measures 5 and 50. Requires the task force to study the past and future impacts of the ballot measures on small and large taxing jurisdictions and submit a report to the interim committees of the Legislative Assembly related to taxation no later than December 15, 2026. Directs that the task force consists of six Senators appointed by the Senate President five Representatives appointed by the House Speaker.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Measure 5 was enacted by the voters in November 1990. It established maximum property tax rates of 0.5% for school districts collectively and 1.0% for all other taxing districts collectively; bond levies were excluded from these limits. Measure 50 was crafted by the 1997 Legislature and referred to, and passed by, voters in May of 1997. (This was in response to the voter enacted Measure 47 from 1996 that was deemed to be unworkable.) Measure 50 created permanent tax rate limits for taxing districts; it also created the concept of Maximum Assessed Value (initially set at 90% of 1995-96 real market values) and limited its growth to three percent annually. With both Measures 5 and 50 in effect today, Oregon's property tax system was changed from a levy-based tax system to a rate-based tax system.