

SB 99 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Sub-Referral To: Joint Committee On Tax Expenditures

Meeting Dates: 2/19

WHAT THE MEASURE DOES:

Extends the property tax incentives for brownfield development by moving the sunset date six years, from January 1, 2027, to January 1, 2033.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

This policy allows cities, counties, or ports to adopt an ordinance or resolution to provide a property tax incentive for the development of certain brownfield property. Available property tax incentives are a land special assessment and a full or partial exemption of improvements and personal property on the brownfield land. Cities, counties, or ports can adopt the special assessment, full/partial exemption, or both. The term of the tax incentives is up to 10 years, with an option for an additional five years, for a total of up to 15 years.

The incentive applies to the property taxes of all taxing districts if the districts representing at least 75 percent of the total combined tax rate in the area support the program. Owners granted the brownfield development incentive will continue receiving it until the earlier of the:

- expiration of the benefit period
- date on which the dollar amount of benefits equal eligible costs, net of eligible cost offsets
- discovery the owner failed to comply with eligibility requirements, begin brownfield remediation/development, or file any required reports.