Support for M5 & M50 Task Force

House bills 2321, 2333, 2334, and 2335 would create task forces to study the impacts of Measure 5 and Measure 50 on disadvantaged communities, local governments, public education, and alternative revenue sources.
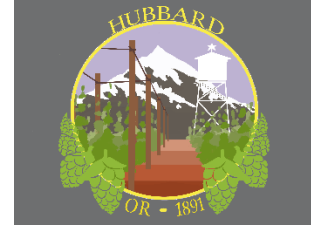
Property tax reform has been a longstanding priority for cities since the passage of M5 and M50. Property taxes are the largest source of revenue for cities, with $1.9 billion collected in FY 2023-24. Property taxes play a vital role in funding capital projects and the essential services that cities provide, including police, fire, roads, parks and more. They are also a key revenue source for counties, special districts and school districts—providing a portion of the state's education budget. The current property tax system is broken and in need of repair due to Measures 5 and 50, which are both now more than 20 years old. Measure 5 put limits the amount of revenue cities and other government entities can raise for critical services. It has led to millions of dollars of compression losses every year for cities. Measure 50 has not allowed cities to grow with their needs, the market or inflation since property tax values can only grow 3% every year.

Cities want a property tax system that is:

- **Equitable** and based on a market-based property tax valuation system (RMV) rather than the present complex valuation system from Measure 50.
- **Fair and adequate.** A system that returns to RMV will need to be thoughtful and measured and likely need to make small adjustments year over year so that taxpayers of Oregon can adjust the impact of a return to RMV.
- **Supportive of local choice.** Cities need a system that allows voters to adopt tax levies and establish tax rates outside of current limits to better suit the needs of their communities.

The League of Oregon Cities and cities across Oregon support the Legislature delving into the impacts of M5 and M50 and stand ready to partner with the state to make meaningful property tax reform.

JEWEL OF THE BLUE MOUNTAINS

NEWPORT
OREGON

CITY OF
Tigard

HUBBARD
OR - 1891

CITY OF ALBANY
OREGON
Inc. 1864

CITY OF
COOS BAY

CITY OF TANGENT

CITY OF PORTLAND OREGON
1851

FALLS CITY
End of the road, start of your adventure

SCAPPOOSE

SCAPPOOSE
Oregon

INDEPENDENCE
EST 1845
OREGON

THE CITY OF
WARRENTON
OREGON

CITY OF BANDON
1891 · OREGON

HV
HAPPY VALLEY, OR
EST. 1965

CITY OF
Corvallis

CITY OF
PHILOMATH

TOLEDO
WELCOMES YOU

Monmouth
OREGON
WHERE GREAT THINGS GROW

CITY OF
Millersburg
A COMMUNITY LINKING
AGRICULTURE AND INDUSTRY

HERMISTON
OREGON
Where Life is Sweet

City of
GARIBALDI
Oregon's Authentic Fishing Village

CITY OF DALLAS
OREGON

Lincoln City

Beaverton
OREGON

Small
Municipalities
Advocacy
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