

HB 4004 A -A17 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Beau Olen, Economist

Meeting Dates: 2/18

WHAT THE MEASURE DOES:

Defers imposition of additional taxes under Small Tract Forestland special assessment program otherwise required by inability of landowner to meet stocking and species requirements due to Douglas-fir mortality. Requires qualifying landowner submit written notification each year requesting deferral and attesting to effects of Douglas-fir mortality. Imposes deferred additional taxes when such land is disqualified for other reasons. Repeals deferral on January 2, 2028. Takes effect 91 days after sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-A17 Clarifies due date for written notification requesting deferral and attesting to effects of Douglas-fir mortality, from April, to July 1.

BACKGROUND:

Owners of 10 to 4,999 acres of Oregon forestland may have such land specially assessed under the Western Private Forestland program, Eastern Private Forestland program, or Small Tract Forestland program. Under the Small Tract Forestland program, land is specially assessed at 20 percent of specially assessed value under the Western Private Forestland program or Eastern Private Forestland program, depending on the location of such land. Qualifying small tract forestland owners also pay a severance tax based on harvest volume. If disqualified, additional taxes are imposed based on the number of consecutive years land had qualified, up to 5 years in most situations.

One qualification for the Small Tract Forestland program is that land meets minimal stocking and species requirements based on rules adopted by Department of Revenue. Land is disqualified from special assessment upon written notice from Department of Forestry that such land no longer meets stocking and species requirements.