



NEWS

Oregon Legislature - House Democratic Caucus

FOR IMMEDIATE RELEASE

March 20, 2015

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Bipartisan Vote Supports Long-Needed Central Assessment Fix

SB611B would provide certainty, incentivize new projects, create jobs

Today, by a wide bipartisan vote, the Oregon House passed Senate Bill 611B, the fix to Oregon's "central assessment" taxation rules for certain companies.

The bill will provide certainty for these companies, boost investments in new tech projects, and create jobs, all while minimizing the revenue impacts on cities and counties.

Senate Bill 611B clears up longstanding uncertainty about how data centers and other service providers such as Comcast are taxed in the state of Oregon. By clearing up this uncertainty, we are paving the way for new investments by large tech businesses, like Apple and Amazon, that will create and expand projects and lead to new jobs.

"This bill is the result of a lot of work by everyone involved to get to a place where we're clarifying the tax rates, providing real incentives for new operations, and ensuring that our local governments and schools are protected," says Rep. Phil Barnhart (D-Eugene). "In the end, I believe this is a win-win for everybody."

A ruling by the Oregon Supreme Court changed the way that certain companies are classified—as communications companies—which would result in a steep spike in the property taxes paid by these businesses.

The resulting tax increases and uncertainty has created a cloud over communications company investment and development in Oregon.

The bipartisan fix in SB611B will remove the uncertainty around communication company investment in Oregon, while protecting cities and counties from steep revenue losses.

The certainty created by SB611B will mean that we'll begin collecting taxes from these companies—taxes that begin flowing to Oregon schools and other services—that would have otherwise remained held up in legal challenges.

SB611B also creates incentives for new qualifying projects—like Google’s high-speed fiber project—that will create jobs and deliver high-speed internet to residents and businesses.

The bill now heads to the Senate for a concurrence vote before arriving on Governor Brown’s desk for her signature.

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