



SENATE MAJORITY OFFICE

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Bill clarifying tax assessment gives certainty to data centers *“Facebook bill” will give Oregon another tool to attract business to state*

SALEM – The Oregon Senate approved legislation this morning that quickly responds to concerns of some large data centers located in enterprise zones. SB 1532 clarifies in statute that Facebook’s Central Oregon data center is not currently subject to central assessment, allowing Crook County and Facebook to continue honoring the agreement that brought the billion dollar company and over 55 permanent jobs to central Oregon.

“SB 1532 stabilizes Oregon’s property tax laws with respect to enterprise zones. Qualifying businesses will have the certainty of knowing that their tax rates will remain consistent as long as the enterprise zone criteria are maintained,” said Senator Ginny Burdick (D-Portland), chair of the Senate Finance and Revenue Committee. “This sends an important signal to current data centers and those looking to locate in Oregon: we won’t change the rules on you.”

In 2010, Facebook opened a data center in Prineville, Oregon located within an enterprise zone, with the understanding that the company would be taxed under the enterprise zone tax structure. However, in 2011, the Department of Revenue determined that Facebook met the definition of a communications company, dramatically changing the assessment mechanism used to determine Facebook’s tax liability to the state.

“Our laws do not always keep up with the fast-changing world of technology,” said Senator Mark Hass (D-Beaverton). “The concerns Facebook raised in Central Oregon give us an opportunity to make a small but important change that will allow the state to stay competitive while attracting additional high tech companies to Oregon.”

SB 1532 now goes to the House of Representatives for consideration.

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