

**DIVISION 307
PROPERTY SUBJECT TO TAXATION**

150-307.123

Strategic Investment Program

(1) The county shall establish a separate tax account for project investments (e.g. A-1 account for buildings and M & E, and when applicable, a separate personal property account).

(2) Value not defined in the eligible project is taxable in addition to the trended base (assessable portion of the eligible project).

(3) The agreement between the company and the county governing body shall state that the company shall file with the Department of Revenue the information required by ORS 308.285–290 on the annual industrial property return as if the property were taxable.

(4) The Department of Revenue shall be responsible for the following:

(a) Accumulating the invested cost on the eligible project from data provided by the company on their industrial property return.

(b) Determining the RMV of buildings, machinery and personal property identified as part of the eligible project.

(c) Transmitting the above data to the counties.

(5) The county assessor shall be responsible for:

(a) Determining the trended base at three percent annually (e.g. \$100 million the first year, \$103 million the second year).

(b) Allocating the trended base of the eligible project per ORS 307.123(1)(a).

(c) Determining the exempt value.

(6) The county assessor and governing body shall be responsible for determining the amount of the community services fee and establishing procedures for the billing, collection and distribution of the community services fee. Enforcement of the contracts or other agreements shall be the sole responsibility of the parties to the contract.

(7) Examples

All numbers in the following examples are shown in millions.

Example 1

The eligible project is a \$250 million investment on a previously undeveloped property.

Eligible investment (RMV)	\$250
First \$100 million of investment (taxable)	<u>– 100</u>
Exempt value of the eligible investment	<u>\$150</u>

Example 2

Eligible project includes a \$500 million addition to an existing property with a \$200 million value:

Eligible investment (RMV)	\$500	
First \$100 million of investment (taxable)	<u>– 100</u>	
Exempt value of the eligible investment		<u>\$400</u>
Taxable value of the eligible project	\$100	
RMV of existing property	<u>+ 200</u>	
Total taxable value of the property		<u>\$300</u>

Stat. Auth.: ORS 305.100

Stats. Implemented: ORS 307.123

Hist.: RD 1-1994, f. 6-21-94, 7-1-94, Renumbered from 150-307.110; RD 6-1994, f. 12-15-94, cert. ef. 12-30-94; RD 1-1995, f. 12-29-95, cert. ef. 12-31-95; RD 9-1997, f. & cert. ef. 12-31-97