OREGON DEPARTMENT OF REVENUE

ADMINISTRATIVE RULE REVIEW	Rule No. 150-280.075	
Amended Rule	Page Page 1 of 4	Last Revised Date May 11, 2016
	NOTICE OF INTENDED ACTION	
Permanent Rule	Bulletin Dated June 2016	Hearing Scheduled June 23, 2016

PURPOSE: A new law took effect October 5, 2015 requiring ballot measures proposing new local option taxes where a statement in the ballot title includes an estimated tax impact/cost. The ballot measure summary must include the following statement: *"The estimated tax cost for this measure is an ESTIMATE ONLY based on the best information available from the county assessor at the time of estimate and may reflect the impact of early payment discounts, compression and the collection rate."* This amendment will align the rule with the new law.

150-280.075

Tax Election Ballot Measure Requirements

(1) All ballot titles are required to contain essentially the same language within the standard format as outlined in ORS 250.035.

(2) The caption is limited to not more than 10 words. The purpose is to identify the type of tax presented for voter approval. The name of the municipal corporation and dollar figures must not be included in the caption.

(3) The question is limited to 20 words that plainly state the purpose of the measure so that an affirmative response to the question corresponds to an affirmative vote on the measure. The question must contain the following:

(a) The name of the municipal corporation. The word "district" may be substituted for the full name of the municipal corporation if the full name appears in the ballot measure summary;

(b) The amount of property tax in dollars and cents, or the tax rate per $1,000 of assessed value;

(c) The purpose of the tax, such as operating, capital project, or establishing a permanent rate limit;

(d) The first fiscal year the tax is to be imposed; and

(e) The length in years that the proposed tax is to be imposed.

(4)(a) Directly after the question for a proposed new local option tax, the following statement is required: "This measure may cause property taxes to increase more than three percent."

(4)(b) In lieu of the statement required by subsection (a) of this section, for a question that is requesting the renewal of a current local option tax, the following statement is required: "This measure renews current local option taxes." To qualify as a renewing measure, a measure must ask for the same tax rate

or annual dollar amount as the current local option tax, or a lower rate or amount, and be for substantially the same purpose as the current local option tax.

(c) The statement required by subsection (a) or (b) of this section is not included in the 20-word limitation.

(5) The summary is limited to 175 words and explains the purpose of the tax in plain language. It must not advocate a yes or no vote on the question. The summary must contain the following:

(a) As the first sentence, except for elections held in May or November of any year: "This measure may be passed only at an election with at least a 50 percent voter turnout." This statement is not included in the 175-word limitation;

(b) For a dollar amount local option, the total amount of money to be raised by the measure, and;

(c) For a tax rate local option, an estimate of the amount of taxes to be raised in each year in which the tax will be imposed.

(6) If an estimated tax ~~rate~~ impact is included in the summary of a measure requesting an annual dollar amount levy, it must also contain the following statement: "The estimated tax cost for this measure is an ESTIMATE ONLY based on the best information available from the county assessor at the time of estimate and may reflect the impact of early payment discounts, compression and the collection rate."~~."~~ This statement is not included in the 175-word limitation.

~~EXAMPLE ONE-YEAR LOCAL OPTION (RATE) (May or November election):~~

~~Caption: One-year Local Option Tax~~

~~Question: Should Sample City impose $.40 per $1,000 of assessed value for operating purposes for one year beginning 2008–2009? This measure may cause property taxes to increase more than three percent.~~

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~~Summary: The purpose of this measure is to provide funds for the general operations of Sample City. It will enable the city to maintain operations at their current level. It is estimated that the requested rate will raise $100,000 in fiscal year 2008-2009.~~

~~EXAMPLE MULTIPLE-YEAR LOCAL OPTION (UNIFORM DOLLAR AMOUNT) (March or September election):~~

~~Caption: Nine-year Capital Project Local Option Tax~~

~~Question: Should the district impose $20,000 each year for nine years to purchase two vehicles and a maintenance shed beginning 2008–2009? This measure may cause property taxes to increase more than three percent.~~

~~Summary: This measure may be passed only at an election with at least a 50 percent voter turnout. The taxes to be raised in nine years total $180,000, to be imposed in equal amounts of $20,000 each year. The taxes will be used to purchase two new city vehicles to replace existing vehicles. The tax revenue will also be used to acquire a maintenance shed to house the city's park maintenance equipment. The city currently has no maintenance shed. It is estimated that the proposed tax will result in a rate of approximately $.10 per $1,000 of assessed value in the first year. The estimated tax cost for this measure is an ESTIMATE ONLY based on the best information available from the county assessor at the time of estimate.~~

~~EXAMPLE MULTIPLE-YEAR LOCAL OPTION (RATE) (RENEWAL) (March or September election):~~

~~Caption: Three-year Operating Local Option Tax~~

~~Question: Should Sample County impose $.76 per $1,000 of assessed value for operations for three years beginning 2008–2009? This measure renews current local option taxes.~~

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~~Summary: This measure may be passed only at an election with at least a 50 percent voter turnout. This measure will continue a current local option tax that, without renewal, will expire in 2008. If renewed, the tax revenue will continue to be used to operate the county at its current levels of service. It is estimated the proposed rate will raise $152,000 in 2008-2009, $156,560 in 2009-2010, and $161,260 in 2010-2011 for a total of $469,820.~~

~~EXAMPLE PERMANENT RATE LIMIT (May or November election):~~

~~Caption: Permanent Rate Limitation~~

~~Question: Should District be authorized to impose $3.50 per $1000 of assessed value as a permanent rate limit beginning 2008-2009?~~

~~Summary: The measure will establish a permanent tax rate limit for the new Sample Service District. In the first year of imposition it is estimated that the proposed rate will raise $42,000 for the new district. The taxes will be used to pay for the general operations of the district.~~

Stat. Auth.: ORS 305.100

Stats. Implemented: ORS 280.060