

Governor's Data Center Advisory Committee: State and Local Incentives

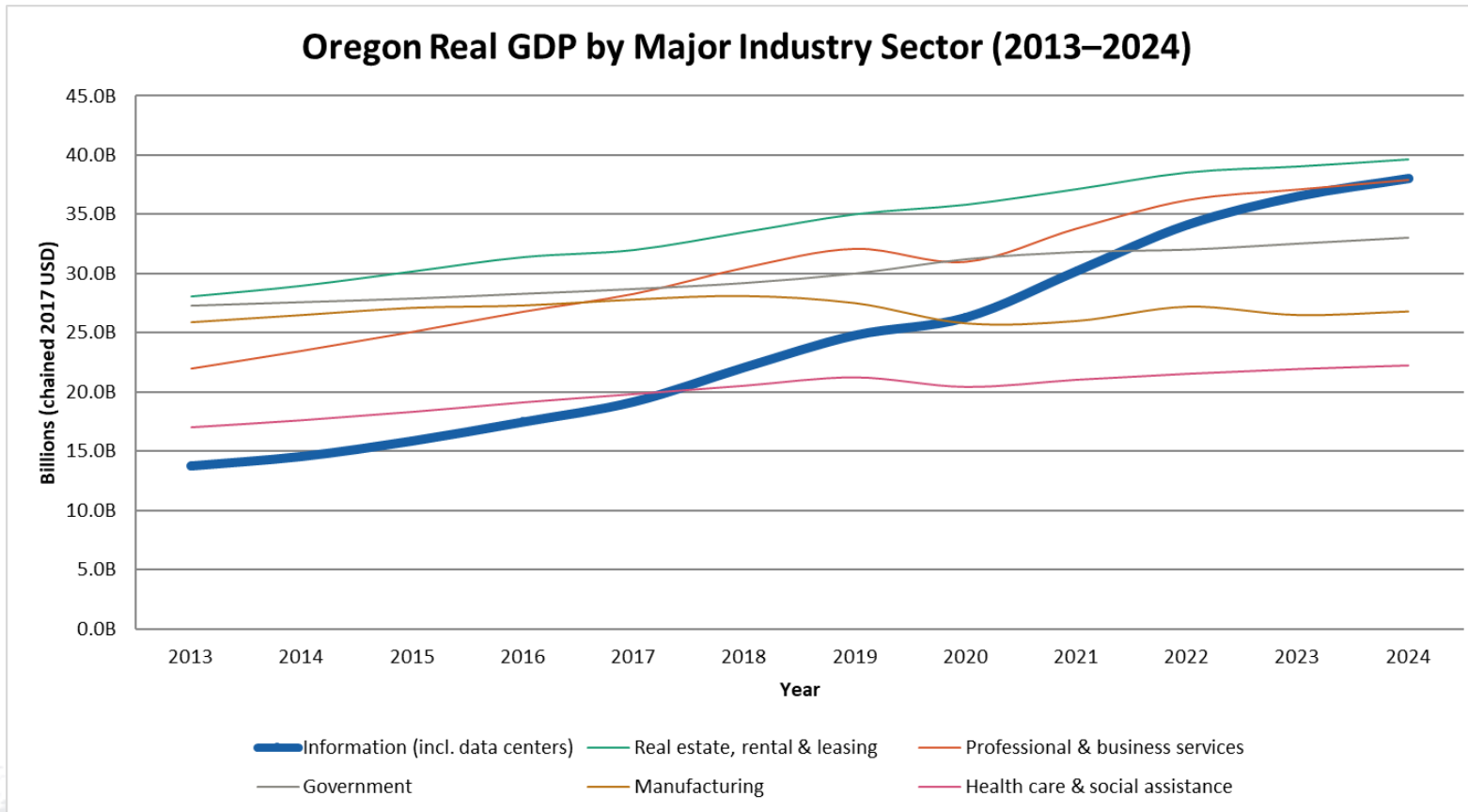
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Oregon's Information Economy



Source: Bureau of Economic Analysis (BEA) SAGDP9N

Direct Contributions of Data Centers (2025):

- 7,600 Oregon Jobs
- \$1.6 billion total payroll
- \$213,000 per job (avg.)
- \$2.8 billion in GDP

Business Oregon estimates the indirect contributions of data centers to be 1.7 to 2X direct contributions.

Source: Oregon Employment Department and Business Oregon estimates

Leveraging Tax Incentives

What we give –

- Temporary reductions in local property taxes on newly installed buildings, machinery, and equipment.

What we get –

- New and increased private-sector investment.
- New and increased jobs and economic activity.
- Taxes in the form of corporate income, CAT, payroll, community service and/or School Support fees, other agreed upon fees, property tax on land value and existing property.

Snapshot of Incentive Programs and Data Centers

	Standard Enterprise Zones	Long-Term Rural Enterprise Zones	Strategic Investment Program (SIP)
Abatement Length	3-10 years (3-year max for Data Centers)	Up to 15 years	15 years
Type of Abatement	Full exemption	Full exemption	Partial exemption
Data Centers Eligible	No (HB 4084 1 year moratorium)	Yes	Yes
Current Year Data Center Abatements	20 of 156 total	12 of 17 total	2 of 17 total
Authorized, Not yet Receiving	7 of 117 authorized projects (2025 report)	10 of 13 authorized, but not yet receiving abatement.	1 of 1 authorized but not yet receiving abatement.
Data Center Share of Investment	\$3.1 billion of \$5.3 billion of investment,	\$15.4 billion of \$15.8 billion invested,	\$11.2 billion
Taxes Abated	\$39.1 million of \$68.3 million.	\$233.6 million of \$240.9 million	\$32 million*
Primary Geographic Concentration of DC Utilization	Washington & Multnomah counties	Crook, Morrow, Umatilla & Wasco counties	Morrow & Umatilla
Programmatic ROI	29.16	1.18	6.24

HB 4084, the Moratorium, and the Definition of a Data Center

OAR [123-650-0100](#) (Temporary Rule Language in Effect until 12/1/2026)

(2) Data Center means real and personal property consisting of buildings or structures specifically designed or modified to house networked computers and data and transaction processing equipment, the computers contained within, and related infrastructure support equipment including but not limited to power and cooling equipment. **To qualify as a data center under this definition, the storage, processing, transmission, or retrieval of digital data must constitute the primary commercial purpose of such buildings or structures and their operations.** Covered buildings or structures include but are not limited to those used primarily for colocation services, cloud computing services, artificial intelligence training or inference services, or digital asset mining services, whether such services are internal or external services, i.e. provided to third parties or operated for the company's own commercial operations. For purposes of this definition, the primary use of property is based on the relative proportion of the original cost of property used for all purposes. Data Center does not include:

(a) A server room, network operations facility, or other computing infrastructure that is incidental to and operated exclusively in support of the primary non-computing business operations of a single entity conducted at the same or an affiliated location. This includes, but is not limited to, computing infrastructure integral to semiconductor fabrication, manufacturing process control, industrial process design, or chemical or materials research, provided that such computing infrastructure is not held out or marketed as a service available to persons other than the entity and its affiliates; or

(b) A telecommunications switching, routing, or network transmission center whose primary design and function is the carriage of voice, video, or broadband communications rather than the storage, processing, or hosting of data for end users.

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