

House Bill 2396

Sponsored by Representative KITTS

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits unit of local government from imposing industry-specific sales tax. Permits collection of otherwise prohibited tax if ordinance or other law imposing tax took effect or became operative before January 1, 2005.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to taxation by units of local government; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) Except as expressly authorized by state statute, a unit of local govern-**
5 **ment, as defined in ORS 190.003, may not impose or collect a privilege or excise tax measured**
6 **by sales price or gross receipts from retail sales or other transactions when the tax is im-**
7 **posed on a particular class of tangible personal property or services.**

8 **(2) Subsection (1) of this section does not apply to a privilege or excise tax imposed on**
9 **a particular class of tangible personal property or services if the ordinance or other law**
10 **imposing the tax took effect or became operative before January 1, 2005. This subsection**
11 **applies without regard to changes made on or after January 1, 2005, in the rate of tax im-**
12 **posed or in the form of the ordinance or other law levying the tax.**

13 **SECTION 2. This 2005 Act takes effect on the 91st day after the date on which the reg-**
14 **ular session of the Seventy-third Legislative Assembly adjourns sine die.**

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NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.