

**FISCAL MEMORANDUM
HB 894 – SB 1872**

May 16, 2007

SUMMARY OF AMENDMENT (009084): Deletes the original bill and authorizes landowners who donate an open space easement to a qualified conservation organization to qualify for Greenbelt classification for property tax purposes. Defines open space land and requires that if such land is no longer used in a manner that qualifies for the open space classification that the owner shall pay the county and city property taxes saved as a result of such classification plus an amount equal to 10% of the taxes saved.

FISCAL IMPACT OF ORIGINAL BILL:

MINIMAL

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Not Significant

Local Govt. Revenues – Net Impact – Not Significant

Assumptions applied to amendment:

- The State Board of Equalization would need to develop a new application for Greenbelt classification under the provisions of the bill. Any cost to develop, print, and distribute such application is estimated to be not significant.
- Local governments may experience a decrease in revenues associated with decreased property tax collections but it is assumed that most qualifying properties would already be subject to a property tax classification such as greenbelt that would qualify the properties to pay taxes at a reduced rate.
- Local governments may periodically experience an increase in property tax collections due to properties that cease to qualify and would be subject to rollback taxes plus the 10% penalty. Because of this potential increase in property taxes and the potential reduction in property tax collections noted in the bullet point above, it is estimated that the net impact on local government revenues will not be significant.

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CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "James W. White". The signature is written in a cursive style with a large initial 'J' and 'W'.

James W. White, Executive Director

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