



Department of County Management

MULTNOMAH COUNTY OREGON

Finance and Risk Management Division

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Re: GASB 77 Implementation Information for Taxing Districts within Multnomah County, Oregon

Dear Multnomah County Taxing District:

The Governmental Accounting Standards Board released Statement 77, *Tax Abatement Disclosures* ([GASB 77](#)). This standard requires state and local governments for the first time to disclose information about tax abatement agreements for reporting periods beginning after December 15, 2015.

Tax abatements result from agreements entered into by the reporting government, as well as those that are initiated by other governments, which reduce the reporting government's tax revenues.

Three combined features help set apart tax abatements from other tax expenditures (such as tax exemptions and tax deductions):

1. Purpose – Economic Development, Historical Preservation, Environmental Incentives, Brownfield Cleanup, and Housing Construction.
2. Revenues Reduced – Tax revenues, nonexchange transactions, not including other streams of revenue (such as charges/fees for service).
3. Existence of an Agreement – Identifiable agreement between a government and specific individual or entity which has at least 2 components:
 - a. Promise by government to reduce taxes
 - b. Promise from individual/entity to subsequently perform a certain beneficial action

The 2016-17 year-end reports from the Multnomah County tax distribution system are in process and are anticipated to be available by late Spring 2017. These reports include base exemption value data for programs which have currently been identified as special assessment exemption programs, authorized by State Statutes. These reports will be available at <https://multco.us/finance/gasb-77>.

Reports will include programs and base exemption value data by taxing district for tax levy year 2016-17. If/when new programs are identified; reports will be updated as necessary. Check this website frequently, and prior to finalization and issuance of financial reports, for any updates.

Please refer to [GASB 77](#) for specific disclosure requirements. Each governmental entity is responsible to determine what is scoped in or out for their respective entity and the determination is solely the responsibility of entity management. Additionally, estimated abatement amounts are also the responsibility of entity management.

Additional Information:

- [Exemption Code List and ORS \(ET codes provide cross reference to ORS\)](#)
- [Oregon Tax Expenditure Report](#) > 2015-17 Biennium Full Report and List of Expenditures (provides useful descriptions on each State program, and may provide who is the initiating government)
- [Oregon Revised Statutes](#)
- [Oregon Administrative Rules](#)

If you have any questions please contact Multnomah County's General Ledger section at GLHelp@multco.us.