



MULTNOMAH COUNTY OREGON

DIVISION OF ASSESSMENT, RECORDING & TAXATION
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To: Multnomah County Taxing Districts
From: Lori Finstad, DART Tax Accounting Supervisor

RE: HERT Distribution

In 2018, HB 4139 was passed, which replaced the ad valorem property tax on heavy equipment that was held for rent. It's now a 2% tax on the rental price of qualified heavy equipment. The Department of Revenue administers the program and will transfer the net tax receipts to counties for deposit into the unsegregated tax collections account, for distribution in accordance with ORS 311.390. The tax went into effect on 01/01/2019.

For the first two years of the program (2019 and 2020) the disbursement occurred annually because the department was required by statute to perform a "true-up" comparing what each taxpayer paid in HERT against what they would have paid in property tax. The department then either billed or refunded the difference to the taxpayer and what is left, after administrative fees, is what is distributed.

Multnomah County's distribution of 2019 funds received from DOR was completed in April, 2020. The distribution of 2020 funds will be completed in August, 2021. Going forward disbursements will occur quarterly.