



The Capitol Granger

Weekly news from your Grange lobbyist

Grangers show momentum in push-back against SB 181 nonprofit tax bill

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Grangers from around Oregon flooded the House Revenue Committee with petitions, emails and personal appearances to oppose Senate Bill 181A. The bill requires nonprofit charities to start filing annual returns in order to keep their property tax exemptions. A charity that failed to file, or that made a mistake on its return, would lose its exemption and have to pay five years' back taxes.



Reps. Bill Kennemer and Janelle Bynum talk with Grangers at Boring-Damascus Grange.

Rep. Bill Kennemer (Oregon City), who met with Grangers last week, told the revenue committee on Tuesday that the bill doesn't apply to the Oregon State Grange or other fraternal

organizations, which gain their exemptions from a different law than the one being amended by this bill.

The explanations of Kennemer and two senators supporting the bill drew the attention of Committee Chair Phil Barnhart (Eugene), who along with Sen. Brian Boquist (Dallas) poked fun at fraternal members who had come to speak against the bill. Barnhart thanked them for their contribution to the City of Salem's parking meters.

Later, Barnhart asked fraternal members one by

one if they still wanted to speak. A few declined. Grangers were among those who said "yes."

Clackamas Pomona President Ed Luttrell and I told the committee that the Grange continues to have concerns, even if the bill exempts the Grange. I said many Granges are registered as public benefit corporations, just as are the public charities this bill goes after. I noted several Grangers said their legislators weren't sure who the bill covered, including a senator who before voted in favor of the bill, then later questioned her own vote.



Siskiyou Mountains from Deer Creek Road in Josephine County. (Gary Halvorson, Oregon State Archives.)

I said the bill puts an extra load on groups that help our communities. I noted that assessors already can get the data they want free online from the IRS and other agencies, rather than burdening charities.

Mr. Luttrell said the Oregon State Grange Foundation is a charity covered by the bill, and he expressed concern for the severe penalty the bill imposes for simple errors. He noted that the Grange is also concerned for its partners in other charities.

Copies of written testimony are at:

<https://olis.leg.state.or.us/liz/2017R1/Measures/Exhibits/SB181>

A video of the committee hearing is at:

http://oregon.granicus.com/MediaPlayer.php?clip_id=23582

Thanks, Grangers, for helping. I'll keep you updated.