

North Marion School District #15
CONSTRUCTION EXCISE TAX

Permit # _____ Map and Tax Lot of Property _____

Owner Name (print) _____ Phone _____

Applicant Name (print) _____ Phone _____

Applicant Address _____

Applicant Signature _____ Date _____

CONSTRUCTION CATEGORY:

- Residential Construction** – Excise tax of \$1.00 per square foot for new or replacement residential structures.
- Nonresidential Construction** – Excise tax of 50 cents per square foot for new or replacement commercial structures.

CONSTRUCTION EXCISE TAX CALCULATION (see back for details):

Residential square footage of construction _____ x \$1.00 = \$ _____

Nonresidential square footage of construction _____ x \$0.50 = \$ _____

Total Construction Excise Tax Due \$ _____

CONSTRUCTION EXCISE TAX EXEMPTIONS

Please indicate if any of the following exemptions apply to the imposition of the Construction Excise Tax to your building permit:

- Private School Improvements
- Public Improvements (as defined in ORS 279A.010)
- Residential housing that is guaranteed to be affordable (under US Department of HUD guidelines)
- Public or Private hospital improvements
- Improvements to religious facilities primarily used for worship or education associated with worship
- Agricultural buildings as defined in ORS 455.315(2)(a)
- Accessory structures
- Facilities that are not operated by a not-for-profit corporation and that are: Long term care facilities as defined in ORS 442.015; Residential care facilities as defined in ORS 443.400; or Continuing care facilities as defined in ORS 101.020
- The building permit does not apply to the above structure, and I would like the School District to make a determination regarding exemption status.

Structure Description (including square footage): _____

For more information, contact: Business Manager, North Marion School District
 20256 Grim Rd NE * Aurora, OR 97002 * 503.678.7102

CONSTRUCTION EXCISE TAX

COLLECTION METHODOLOGY

1. For purposes of calculating the Construction Excise Tax, residential uses shall include:
 - single-unit houses
 - multiple-unit houses
 - non-transient boarding houses
 - adult foster care homes and congregate living facilities
 - dormitories (as defined in State Building Code)
 - manufactured dwellings
 - a residential building moving from one property to another
2. Residential square footage measurements shall be made in accordance with guidelines established by the State of Oregon Building Codes Division. Square footage shall include the gross floor area of the structure including unfinished basements or bonus rooms. Gross floor area shall not include:
 - garages
 - carports
 - covered walkways
 - exterior decks
 - covered porches and patios
 - sunrooms
 - accessory structures such as garden sheds, shops, ramadas and other similar out buildings
3. Residential and non-residential additions and alterations.
4. Hotels, motels, and transient boarding houses shall be considered nonresidential uses.
5. Square footage of non-residential use shall include the gross floor area of the building or addition, measured in accordance with guidelines established by the State of Oregon Building Codes Division. When measurements refer to an interior or exterior wall and no wall exists, measurements shall include the useable area under the horizontal projection of the roof or floor above.
6. A manufactured home that replaces an existing manufactured home in a manufactured home park is exempt.
7. A moved building, if it is being moved to another location on the same property, is exempt.
8. Where an existing residential or non-residential use is removed from a property (in part or in total) within one year of applying for the building permit, a credit towards the CET for the new use shall be applied based on the square footage and use of existing building. No CET credit shall be applied if there is no record of the square footage of the existing use or if the existing use was not lawfully established. CET credits are non-transferable to other properties beyond the subject tract of land.
9. The CET shall be applicable to building permit applications received on or after the effective date of the Intergovernmental Agreement (IGA) between the District and County or City for collecting the CET. Should an increase in the CET be authorized, the new rate shall be applicable to building permit applications received on or after the effective date of the increase.
10. The CET shall not apply to communication towers, water tanks, retaining walls, swimming pools, private bridges, covered play structures, or structures that do not require a building permit.

The North Marion School District Board of Directors authorized this construction excise tax at the June 11, 2012 board meeting in accordance with Senate Bill 1036. The maximum tax is \$25,000 per building permit or structure, whichever is less.



North Marion School District 15

20256 Grim Road NE
Aurora, OR 97002

District Office Hours: 7:00 AM – 4:00 PM
Phone: (503) 678-7100
FAX: (503) 678-1473
www.nmarion.k12.or.us

What is the Construction Excise Tax for the North Marion School District?

The Oregon Legislature passed SB 1036, a law that provides a financial tool to help school districts pay for capital improvements, expanded facilities, and equipment needed as a result of community growth. The law authorizes a school district, in cooperation with cities and counties, to tax new residential and non-residential development. Specifically, the tax applies to improvements to real property that result in a new structure or additional square footage to an existing structure.

What does the tax pay for?

The excise tax revenue would be used for capital improvements such as acquisition of land, the construction, reconstruction or improvement of school facilities; acquisition or installation of equipment, furnishings, or other tangible property; related architectural, engineering expenses, legal expenses or similar costs related to capital improvements. The excise revenue would allow the district to purchase and prepare sites for future school facilities and/or to help defray the cost of new school facilities or equipment.

Who has to pay and when?

The tax is required to be paid by the developer or property owner who is developing property in the North Marion School District #15 at the time when he or she wishes to have a permit issued by the County/City. A permit will not be issued unless the tax is paid or unless an approved exemption is submitted on the Exemption Form.

Who is exempt from paying the tax?

The following are exempt from the Construction Excise Tax:

1. Private school improvements;
2. Public improvements as defined in ORS 279A.010;
3. Residential housing that is guaranteed to be affordable (under guidelines established by the United States Department of Housing and Urban Development, to households that earn no more than 60% of the median household income for the area in which the construction tax is imposed, for a period of at least 60 years following the date of construction for residential house);
4. Public or private hospital improvements;
5. Improvements to religious facilities primarily used for worship or education associated with worship;
6. Agricultural buildings as defined by ORS 455.315 (2)(a).
7. Facilities that are operated by a not-for-profit corporation and that are:
 - (a) Long term care facilities, as defined in ORS 442-015;
 - (b) Residential care facilities, as defined in ORS 443.400;
 - (c) Continuing care retirement communities, as defined in ORS 101.020.

How much is the tax?

The tax may not exceed:

1. \$1 per square foot on residential construction;
2. 50 cents per square foot on nonresidential construction
3. For non-residential construction only, the excise tax is limited to \$25,000 per building permit or \$25,000 per structure, whichever is less.

Is this a permanent tax?

Yes

Whom can I contact for more information?

If you have additional questions, you may contact the North Marion School District's Superintendent Boyd Keyser via e-mail at boyd.keyser@nmarion.k12.or.us or by phone: (503-678-7100).