

EXHIBIT A

Amend the following section in Chapter 7.02:

7.02.500 Tax Rate.

(Amended by Ordinance Nos. 187743, 188129 and 189017, effective July 13, 2018.)

Subsections A., B. and C. remain unchanged.

D. Heavy Vehicle Use Tax applicable to Tax Years 2016 through 2019. The following tax is imposed in addition to the ~~2.2 percent~~ tax established in Subsection A. above. The proceeds of this tax are dedicated to supplementing the funding of City of Portland street maintenance and safety and shall be deposited in a Street Repair and Traffic Safety Program of the Transportation Operating Fund where street repair and traffic safety expenditures are recorded.

1. For the tax years beginning on or after January 1, 2016, January 1, 2017, January 1, 2018 and January 1, 2019, a Heavy Vehicle Use Tax is imposed on taxpayers who operate one or more Heavy Vehicles on streets owned or maintained by the City of Portland. For purposes of this tax, a Heavy Vehicle is any vehicle that is subject to the Oregon Weight-Mile Tax pursuant to ORS 825.450 et seq. This tax is 2.8 percent of the total Oregon Weight-Mile Tax calculated for all periods within the tax year.
2. The minimum Heavy Vehicle Use Tax due for a tax year is \$100. The minimum tax would be in addition to the \$100 minimum tax described in Section 7.02.545, if applicable.
3. No penalties or interest for failure to make quarterly estimated payments in the amount of the Heavy Vehicle Use Tax will be charged or imposed for the 2016 tax year only. Thereafter, penalties and interest will be calculated as provided for in the Code.
4. ~~If the Heavy Vehicle Use Tax raises more or less than \$2.5 million plus City costs in the first or second tax year of the tax, the City will adjust the Heavy Vehicle Use Tax rate for subsequent tax years of the tax to reach the four year target of \$10 million plus City costs. The Revenue Division of the Bureau of Revenue and Financial services is authorized to adopt an administrative rule to implement this change, if needed.~~

Subsection E. remains unchanged.