

IN THE MAGISTRATE DIVISION  
OF THE OREGON TAX COURT

Property Tax

|                                |   |                 |
|--------------------------------|---|-----------------|
| BUDGET RENT A CAR CORPORATION, | ) |                 |
|                                | ) |                 |
| Plaintiff,                     | ) | No. 990736C     |
|                                | ) |                 |
| v.                             | ) |                 |
|                                | ) |                 |
| MULTNOMAH COUNTY ASSESSOR,     | ) |                 |
|                                | ) |                 |
| Defendant.                     | ) | <b>DECISION</b> |

Plaintiff is a rental car company operating out of the Portland International Airport, which is owned and operated by the Port of Portland (Port), a political subdivision of the State of Oregon whose property is exempt from taxation. Plaintiff asserts the property it occupies is exempt from ad valorem taxation under ORS 307.090 for the 1998-99 tax year.

The issue is whether the property, owned by the Port, qualifies for exemption under ORS 307.090, or whether the operating agreements between the Port and the five rental car companies constitute leases, bringing the property within the exception found in ORS 307.110(1).

Plaintiff appealed the same issue<sup>1</sup> to the Oregon Tax Court and the court found the property taxable under ORS 307.110(1). *Avis Rent A Car System, Inc. v. Dept. of Rev.*, 14 OTR 487 (1998). On appeal, the Oregon Supreme Court, sitting en banc,

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<sup>1</sup> That consolidated appeal, involving five rental car companies, concerned tax years 1990-91 through 1995-96.

affirmed the Tax Court's opinion. Justice Kulingoski, writing for the court, concluded " \* \* \* despite the limited use by the Port and third parties, taxpayers enjoyed exclusive possession of the principal character of the property." *Avis Rent A Car System, Inc. v. Dept. of Rev.*, 330 Or 35, 41, 995 P2d 1163 (2000). The court affirmed the tax court's holding that " [taxpayers] ha[d] sufficient control and exclusive rights to constitute an interest subject to taxation under ORS 307.110.' " *Id.* That opinion is dispositive.

IT IS THE DECISION OF THIS COURT that this case is hereby reactivated.

IT IS FURTHER DECIDED that plaintiff's requested relief is hereby denied.

The assessments are affirmed.

Dated this \_\_\_\_\_ day of October, 2000.

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DAN ROBINSON  
MAGISTRATE

**IF YOU WANT TO APPEAL THIS DECISION, FILE A COMPLAINT IN THE REGULAR DIVISION OF THE OREGON TAX COURT, FOURTH FLOOR, 1241 STATE ST., SALEM, OR 97310. YOUR COMPLAINT MUST BE SUBMITTED WITHIN 60 DAYS AFTER THE DATE OF THE DECISION OR THIS DECISION BECOMES FINAL AND CANNOT BE CHANGED.**

**THIS DOCUMENT WAS SIGNED BY MAGISTRATE DAN ROBINSON ON OCTOBER 30, 2000. THE COURT FILED THIS DOCUMENT ON OCTOBER 30, 2000.**