

REVENUE: Revenue Statement Issued

FISCAL: Fiscal Statement Issued

Action: Do Pass the B-Engrossed Bill.

Vote: 3-2-0

Yeas: Burdick, Monroe, Deckert

Nays: G. George, Starr

Exc.:

Prepared By: Chris Allanach and Mazen Malik, Economists

Meeting Dates: 3/12

WHAT THE BILL DOES: Creates a one-time 67% credit for C-corporations. The credit is applied against tax year 2007 liability (i.e. taxes after other credits) for corporations with less than \$5 million in Oregon sales. Defines "Oregon sales" for purposes of the credit. States that the bill only takes effect if HB 2707-C is passed by both Houses of the Legislative Assembly and signed by the Governor on or before March 16, 2007.

ISSUES DISCUSSED:

- The agreement involving this bill and HB 2707
- Number of corporations affected

EFFECT OF COMMITTEE AMENDMENTS: None

BACKGROUND:

The credit is intended to allow small corporations (those with less than \$5 million of Oregon sales) to keep their portion of the 2005-07 kicker that is mostly being directed to a Rainy Day Fund via HB 2707-C.