

REVENUE: May have revenue impact, statement not yet issued
FISCAL: No fiscal impact

Action: Do Pass and Be Referred to the Committee on Revenue by prior reference
Vote: 7 - 0 - 0
Yeas: Boquist, Clem, Dingfelder, Macpherson, Maurer, Smith P., Roblan
Nays: 0
Exc.: 0
Prepared By: Beth Patrino, Administrator
Meeting Dates: 4/17

WHAT THE MEASURE DOES: Adds fees for inspection and certification of reforestation projects by State Forester to costs included in project costs for purposes of income tax credit for reforestation projects.

ISSUES DISCUSSED:

- 2005 legislation directing State Forester to establish fee for tax credit application
- Purposes of the Oregon Underproductive Forestland Conversion Tax Credit

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: ORS 315.104 establishes the Oregon Underproductive Forestland Conversion Tax Credit. The tax credit provides an incentive to private forestland owners to convert bare land, brush land, or otherwise underproductive forestland into well-stocked forestland. The 2005 Legislative Assembly directed the State Forester to establish a fee to cover the administrative costs of this tax credit program. At that time, this application fee was not included as part of the eligible costs. Allowing the fee to be included as an eligible project cost will reduce the cost of the fee to the forestland owner by fifty percent. HB 3364 allows taxpayers to include the application fee as part of the eligible costs for the purpose of calculating the tax credit.