

**74TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

**MEASURE: SB 859-B
CARRIER: Rep. Gelser**

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact; no statement issued

Action: Do pass with amendments to the A engrossed bill and be printed engrossed

Vote: 9-0-0

Yeas: Berger, Bruun, Butler, Gelser, Olson, Read, Rosenbaum, Witt, Barnhart

Nays:

Exc.:

Prepared By: Chris Allanach, Economist

Meeting Dates: 5/25, 6/5, 6/6

WHAT THE BILL DOES: Modifies the charitable checkoff program. Requires at least 12 entities to be listed on the tax return, if space allows. Requires the Charitable Checkoff Commission (CCC) to create an eligibility roster. Requires the CCC to prioritize which entities appear on the tax form if there is insufficient room on the tax form to include all eligible entities. The first entities to be removed are those that have been on the form for the greatest number of years, among those on the return for at least 2 years. If only some entities that have been on the form for the same duration need to be removed, those with the lowest average donation amount are removed first. If removed from the form but still eligible to be listed, an entity shall be placed at the end of the eligibility roster for consideration in the subsequent year. Lowers the donation requirement for maintaining eligibility from \$50,000 to \$25,000. Removes the reapplication requirement that the entity collect at least 10,000 signatures. Clarifies that an entity that qualified for listing prior to January 1, 2007 does not have to collect signatures for qualification after January 1, 2007. Requires two "other" entity choices be included on the return (to be chosen from those listed in the instructions). Removes the dollar check boxes from the return. Changes first apply to tax year 2007. Leaves the Nongame Wildlife Fund on the tax return through tax year 2011. Clarifies the definition of "instruction listing". Takes effect on its passage.

ISSUES DISCUSSED:

- Fairness of current charitable checkoff program
- Current process of qualifying for the program
- The listing of all entities for electronic returns
- Goals of listed entities
- Department of Fish & Wildlife funding from the Nongame Wildlife Fund

EFFECT OF COMMITTEE AMENDMENTS: Leaves the Nongame Wildlife Fund on the tax return through tax year 2011. Clarifies the definition of "instruction listing".

BACKGROUND: The first charitable checkoff was created by the 1979 Legislature (HB 2536) for the Nongame Wildlife Fund and began with the 1979 tax year. By 1999 there were five charities listed on the tax return: the Nongame Wildlife Fund, Child Abuse Prevention, Alzheimer's Disease Research, Stop Domestic & Sexual Violence, and AIDS/HIV Education & Services. In 2000 two additional charities (Head Start Association and Habitat for Humanity) were added via an "other code" on the tax return. These charities were listed in the instructions and taxpayers could direct some of all of their refund by entering the appropriate code of the tax return. By 2006, six charities were listed on the return (Oregon Military Financial Assistance was added in 2006) and 17 charities were listed in the instructions. Taxpayers could contribute to up to seven different charities – the six listed on the return and one from the 17 listed in the instructions.

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This summary has not been adopted or officially endorsed by action of the committee.