

HOUSE AMENDMENTS TO A-ENGROSSED SENATE BILL 814

By COMMITTEE ON REVENUE

June 5

1 On page 1 of the printed A-engrossed bill, line 2, after “311.812” insert “and sections 2 and 6,
2 chapter _____, Oregon Laws 2007 (Enrolled House Bill 2210); and prescribing an effective date”.

3 On page 3, after line 26, insert:

4 “**SECTION 4.** If House Bill 2210 becomes law, section 2, chapter _____, Oregon Laws 2007
5 (Enrolled House Bill 2210), is amended to read:

6 “**Sec. 2.** (1) As used in this section:

7 “(a) ‘Agricultural producer’ means a person that produces biomass that is used in Oregon as
8 biofuel or to produce biofuel.

9 “(b) ‘Biofuel’ means liquid, gaseous or solid fuels derived from biomass.

10 “(c) ‘Biomass’ means organic matter that is available on a renewable or recurring basis and that
11 is derived from:

12 “(A) Forest or rangeland woody debris from harvesting or thinning conducted to improve forest
13 or rangeland ecological health and reduce uncharacteristic stand replacing wildfire risk;

14 “(B) Wood material from hardwood timber described in ORS 321.267 (3);

15 “(C) Agricultural residues;

16 “(D) Offal and tallow from animal rendering;

17 “(E) Food wastes collected as provided under ORS chapter 459 or 459A;

18 “(F) Yard or wood debris collected as provided under ORS chapter 459 or 459A;

19 “(G) Wastewater solids; or

20 “(H) Crops grown solely to be used for energy.

21 “(d) ‘Biomass’ does not mean wood that has been treated with creosote, pentachlorophenol, in-
22 organic arsenic or other inorganic chemical compounds.

23 “(e) ‘Biomass collector’ means a person that collects biomass to be used in Oregon as biofuel
24 or to produce biofuel.

25 “(2)(a) An agricultural producer or biomass collector shall be allowed a credit against the taxes
26 that would otherwise be due under ORS chapter 316 or, if the taxpayer is a corporation, under ORS
27 chapter 317 or 318 for:

28 “(A) The production of biomass that is used in Oregon as biofuel or to produce biofuel; or

29 “(B) The collection of biomass that is used in Oregon as biofuel or to produce biofuel.

30 “(b) A credit under this section may be claimed in the tax year in which the agricultural pro-
31 ducer or biomass collector transfers biomass to a biofuel producer.

32 “(c) **Notwithstanding paragraph (a) of this subsection, a tax credit is not allowed for**
33 **grain corn, but a tax credit shall be allowed for other corn material.**

34 “(3) The amount of the credit shall be calculated as follows:

35 “(a) Determine the quantity of biomass transferred to a biofuel producer during the tax year;

1 “(b) Categorize the biomass into appropriate categories; and
2 “(c) Multiply the quantity of biomass in a particular category by the appropriate credit rate for
3 that category, expressed in dollars and cents, that is prescribed in section 5, **chapter _____**,
4 **Oregon Laws 2007 (Enrolled House Bill 2210)** [of this 2007 Act].
5 “(4) The amount of the credit claimed under this section for any tax year may not exceed the
6 tax liability of the taxpayer.
7 “(5)(a) A biofuel producer shall provide a written receipt to an agricultural producer or biomass
8 collector at the time biomass is transferred from the agricultural producer or biomass collector to
9 the biofuel producer. The receipt must state the quantity and type of biomass being transferred and
10 that the biomass is to be used to produce biofuel.
11 “(b) Each agricultural producer or biomass collector shall maintain the receipts described in this
12 subsection in their records for a period of at least five years after the tax year in which the credit
13 is claimed or for a longer period of time prescribed by the Department of Revenue.
14 “(6) The credit shall be claimed on a form prescribed by the Department of Revenue that con-
15 tains the information required by the department.
16 “(7) Any tax credit otherwise allowable under this section that is not used by the taxpayer in
17 a particular tax year may be carried forward and offset against the taxpayer’s tax liability for the
18 next succeeding tax year. Any credit remaining unused in the next succeeding tax year may be
19 carried forward and used in the second succeeding tax year, and likewise any credit not used in that
20 second succeeding tax year may be carried forward and used in the third succeeding tax year, and
21 any credit not used in that third succeeding tax year may be carried forward and used in the fourth
22 succeeding tax year, but may not be carried forward for any tax year thereafter.
23 “(8) In the case of a credit allowed under this section:
24 “(a) A nonresident shall be allowed the credit under this section in the proportion provided in
25 ORS 316.117.
26 “(b) If a change in the status of the taxpayer from resident to nonresident or from nonresident
27 to resident occurs, the credit allowed by this section shall be determined in a manner consistent
28 with ORS 316.117.
29 “(c) If a change in the taxable year of the taxpayer occurs as described in ORS 314.085, or if
30 the department terminates the taxpayer’s taxable year under ORS 314.440, the credit allowed under
31 this section shall be prorated or computed in a manner consistent with ORS 314.085.
32 “**SECTION 5.** If House Bill 2210 becomes law, section 6, chapter _____, Oregon Laws 2007
33 (Enrolled House Bill 2210), is amended to read:
34 “**Sec. 6. (1)** Sections 2, 3 and 5, **chapter _____, Oregon Laws 2007 (Enrolled House Bill**
35 **2210)**, [of this 2007 Act] apply to tax credits for tax years beginning on or after January 1, 2007, and
36 before January 1, 2013.
37 “(2) **Notwithstanding subsection (1) of this section, a tax credit is not allowed for wheat**
38 **grain (other than nongrain wheat material) before tax years beginning on or after January**
39 **1, 2009, or on or after January 1, 2013.**
40 “**SECTION 6.** This 2007 Act takes effect on the 91st day after the date on which the
41 regular session of the Seventy-fourth Legislative Assembly adjourns sine die.”.
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