

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
75th Oregon Legislative Assembly
2009 Regular Session
Legislative Revenue Office

Bill Number:	HB 2803A
Revenue Area:	Income Taxes
Economist:	Chris Allanach
Date:	4-20-09

Measure Description:

Creates a two-year income or excise tax credit for employers hiring persons released from a correctional institution. Requires that the eligible employee had been released within the three years prior to initially working for the employer and that they work at least 160 hours during the tax year. For the first year in which the credit is claimed, it is the lesser of \$600 or five percent of the wages paid to the released person. For the second year, the credit is \$900. For purposes of the credit wages do not include federal funds received for on-the-job training. Applies to released persons who commence work on or after January 1, 2010 and tax years beginning on or after January 1, 2010.

Revenue Impact:

This policy would have a revenue loss that depends on the number of released persons hired by taxable employers, their wages and duration of employment, and the amount of federal funds received by the employer for on-the-job training. Further research will occur when the bill is in the House Committee on Revenue.

Creates, Extends, or Expands Tax Expenditure: **Yes**

The House Committee on Revenue will discuss a purpose and expected outcome for this policy.