

Minority Report
B-Engrossed
House Joint Resolution 13

Ordered by the Senate June 24
Including House Amendments dated April 23 and Senate Minority
Report Amendments dated June 24

Sponsored by nonconcurring members of the Senate Committee on Rules: Senators FERRIOLI, BOQUIST

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Proposes revision of Oregon Constitution to exempt local taxing districts from certain limitations on bonded indebtedness if bonded indebtedness is incurred to finance capital costs.]

[Allows state to loan credit and incur specified amount of indebtedness to provide funds to school districts to finance capital costs. Specifies that indebtedness must be incurred in form of general obligation bonds. Specifies sources for repaying bonds.]

[Creates school capital matching fund for purposes of financing school district capital costs and repaying bonds. Deletes provisions relating to school matching subaccount in education stability fund and outdated provision relating to transference of moneys from education stability fund. Transfers moneys in subaccount to school capital matching fund on specified date.]

[Sunsets provision transferring moneys on January 2, 2011.]

Proposes amendment to Oregon Constitution to allow credit against personal income taxes, corporate income taxes or corporate excise taxes for taxpayers that create certain new employment positions. Specifies amount of credit and terms of use.

Sunsets on January 2, 2013.

Refers proposed *[revision]* **amendment** to people for their approval or rejection at next *[primary]* **regular general** election.

JOINT RESOLUTION

Be It Resolved by the Legislative Assembly of the State of Oregon:

PARAGRAPH 1. The Constitution of the State of Oregon is amended by creating new sections 15 and 15a to be added to and made a part of Article IX, such sections to read:

SECTION 15. (1) A credit against taxes that are otherwise due under the personal income tax laws of this state or, if the taxpayer is a corporation, under the corporate income and excise tax laws of this state is allowed to a taxpayer who creates new employment positions. The amount of the credit is \$3,000 for each full-time position that is created. If any created positions are part-time, the amount of the credit shall be prorated to equal \$3,000 multiplied by the total number of full-time equivalent positions created.

(2) In order to qualify a taxpayer for the credit allowed under this section, a position must:

(a) Be filled between July 1, 2009, and December 31, 2009;

(b) Remain filled for at least 12 consecutive months; and

(c) Create a net increase in the number of full-time equivalent positions of the taxpayer compared to the taxpayer's payroll as of June 1, 2009.

(3) Prior to claiming the credit allowed under this section, a taxpayer is required to receive written certification of eligibility from a state agency designated by law.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (4) The credit allowed under this section may not exceed the tax liability of the taxpayer
2 for the tax year.

3 (5) Any tax credit otherwise allowable under this section that is not used by the taxpayer
4 in a particular tax year may be carried forward and offset against the taxpayer's tax liability
5 for the next succeeding tax year. Any credit remaining unused in the next succeeding tax
6 year may be carried forward and used in the second succeeding tax year, and likewise any
7 credit not used in that second succeeding tax year may be carried forward and used in the
8 third succeeding tax year but may not be carried forward for any tax year thereafter.

9 (6) A nonresident shall be allowed the credit under this section. The credit shall be
10 computed in the same manner and be subject to the same limitations as the credit granted
11 to a resident.

12 (7) If a change in the taxable year of the taxpayer occurs, the Legislative Assembly shall
13 provide by law the manner in which the credit allowed by this section shall be prorated or
14 computed.

15 (8) If a change in the status of a taxpayer from resident to nonresident or from nonres-
16 ident to resident occurs, the credit allowed by this section shall be determined in a manner
17 provided by the Legislative Assembly by law.

18 (9) The total amount of tax credits allowed to taxpayers under this section may not ex-
19 ceed \$10 million.

20 (10) A state agency designated by law may adopt rules for the purposes of this section,
21 including policies and procedures for certifying taxpayers as eligible for the credit allowed
22 under this section as required by subsection (3) of this section.

23 **SECTION 15a.** Section 15 of this Article is repealed on January 2, 2013.
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25 **PARAGRAPH 2.** The amendment proposed by this resolution shall be submitted to the
26 people for their approval or rejection at the next regular general election held throughout
27 this state.
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