76TH OREGON LEGISLATIVE ASSEMBLY 2011 Regular Session STAFF MEASURE SUMMARY JOINT COMMITTEE ON TAX CREDITS

REVENUE: Revenue Impact Issued FISCAL: Minimal Fiscal Impact

Action: Do Pass the B-Engrossed bill

Vote: 12-0-0

House Yeas: Barnhart, Bentz, Brewer, Gelser, Read, Wand, Bailey, Berger

Senate Yeas: Hass, Morse, Telfer, Burdick

Nays: 0 **Exc.:** 0

Prepared By: Chris Allanach, Economist

Meeting Dates: 5/3, 5/5, 6/16

WHAT THE BILL DOES: Moves the sunset date for the tax credit for new diesel engines forward from December 31, 2013 to July 1, 2011.

MEASURE: HB 3170 B

CARRIER: Sen. Hass

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ISSUES DISCUSSED:

- Revenue to be used for a revolving fund for truck driving school
- The approach of changing a tax expenditure to fund a direct appropriation

EFFECT OF COMMITTEE AMENDMENTS: Removes changes to the sunset date for the repower/retrofit diesel engine tax credit.

BACKGROUND: The income tax credit for new diesel engines was created in 2003. The amount of the credit ranges from \$400 to \$925, with the amount decreasing as the number of trucks owned increases. The number of tax certificates granted peaked in 2006 at 94, totaling just over \$300,000, but had declined during the recession to 26 in 2010, totaling roughly \$200,000.

State Capitol Building 900 Court St NE, Room 143 Salem, OR 97301-1347

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