

REVENUE: Revenue statement issued
FISCAL: No fiscal impact

Action: Do Pass as Amended, Be Printed Engrossed, and Be Referred to the Committee on Tax Credits by prior reference
Vote: 5 - 1 - 0
Yeas: Atkinson, Burdick, Girod, Starr, Beyer
Nays: Edwards
Exc.: 0
Prepared By: Richard Berger, Administrator
Meeting Dates: 3/21, 3/24, 4/18, 4/21

WHAT THE MEASURE DOES: Adjusts sunset of tax credit for farmworker housing from January 1, 2014 to January 1, 2020.

ISSUES DISCUSSED:

- Tax credit providing assistance in rural areas
- Providing services as well as housing
- Farmers and farm workers both support measure
- On-farm housing versus off-farm housing

EFFECT OF COMMITTEE AMENDMENT: Defined date of tax credit extension to January 1, 2020.

BACKGROUND: A credit against corporation or personal income taxes is allowed for construction, rehabilitation, or acquisition of farmworker housing in Oregon. The credit is 50 percent of the eligible costs for housing projects. A maximum of \$7.25 million in eligible costs can be approved for credit eligibility in a single calendar year by the Housing and Community Services Department. A credit is disallowed if a taxpayer does not receive certification from the Department or if the housing units for which the credit is being claimed is not occupied by farm workers.

The maximum amount of credit claimed by a taxpayer for any one tax year cannot exceed 20 percent of the total allowable credit. Nonresident and part-year resident individual taxpayers multiply their credit by their Oregon percentage. Credits exceeding the taxpayer's tax liability may be carried forward for up to nine years.

The housing must meet certain qualifications for the taxpayer to be eligible for the credit. Rehabilitation projects must restore housing to a condition that meets building code requirements. Farmworker housing must also be registered, if required, as a farmworker camp with the Department of Consumer and Business Services.