

# Enrolled House Bill 3170

Sponsored by COMMITTEE ON REVENUE

CHAPTER .....

AN ACT

Relating to tax credits for diesel engines; amending sections 29, 31 and 32, chapter 618, Oregon Laws 2003; repealing section 16a, chapter 855, Oregon Laws 2007; and prescribing an effective date.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** Section 29, chapter 618, Oregon Laws 2003, as amended by section 54, chapter 843, Oregon Laws 2007, and section 18, chapter 855, Oregon Laws 2007, is amended to read:

**Sec. 29.** (1) The Environmental Quality Commission, after consultation with the Department of Revenue, shall adopt rules for implementing section 28, chapter 618, Oregon Laws 2003. Rules may include but need not be limited to rules specifying procedures for application, review and approval of the tax credit and rules for issuance and use of a certificate of credit approval.

(2) The application developed under subsection (1) of this section shall include:

(a) The name, address and taxpayer identification number of the taxpayer;

(b) The number of trucks owned by the taxpayer and the number of engines eligible for the tax credit that the taxpayer has purchased; and

(c) Any other information that the rules adopted under subsection (1) of this section may require.

(3) Applications filed in compliance with this section and section 28, chapter 618, Oregon Laws 2003, shall be approved to the extent that the total of estimated tax credits for all approved purchases of engines for the calendar year is equal to or less than \$500,000. An application may not be approved if the addition of the amount of the tax credit to the amount of the tax credits for all approved purchases for the calendar year would exceed \$500,000.

(4) Notwithstanding section 31, chapter 618, Oregon Laws 2003, the Department of Environmental Quality may approve applications for tax credits for qualifying engines purchased [*in calendar years 2004 through 2011*] **after December 31, 2003, and before July 1, 2011**, although the taxpayer may not claim the credit until a tax year beginning on or after January 1, 2005.

(5) The Department of Revenue may disallow, in whole or in part, a claim for credit under section 28, chapter 618, Oregon Laws 2003, upon the Department of Revenue's determination that, under section 28, chapter 618, Oregon Laws 2003, the taxpayer is not entitled to the credit or is entitled to only a portion of the amount claimed.

(6) The Department of Environmental Quality shall charge a fee of \$50 for each engine for which a taxpayer applies for a tax credit. The fee is payable to the department and may not be refunded to the applicant for any reason.

**SECTION 2.** Section 31, chapter 618, Oregon Laws 2003, as amended by section 55, chapter 843, Oregon Laws 2007, section 19, chapter 855, Oregon Laws 2007, and section 67a, chapter 865, Oregon Laws 2009, is amended to read:

**Sec. 31.** The tax credit established in section 28, chapter 618, Oregon Laws 2003, applies to tax years beginning on and after January 1, 2005, **and before January 1, 2012**, and to engine model years 2003 through [2013] **2011**.

**SECTION 3.** Section 32, chapter 618, Oregon Laws 2003, as amended by section 56, chapter 843, Oregon Laws 2007, section 20, chapter 855, Oregon Laws 2007, and section 67b, chapter 865, Oregon Laws 2009, is amended to read:

**Sec. 32.** A certificate of credit approval may not be issued under section 29, chapter 618, Oregon Laws 2003, after [December 31, 2013] **June 30, 2011**.

**SECTION 4. Section 16a, chapter 855, Oregon Laws 2007, as amended by section 10, chapter 913, Oregon Laws 2009, is repealed.**

**SECTION 5. This 2011 Act takes effect on the 91st day after the date on which the 2011 regular session of the Seventy-sixth Legislative Assembly adjourns sine die.**

**Passed by House June 22, 2011**

.....  
Ramona Kenady Line, Chief Clerk of House

.....  
Bruce Hanna, Speaker of House

.....  
Arnie Roblan, Speaker of House

**Passed by Senate June 24, 2011**

.....  
Peter Courtney, President of Senate

**Received by Governor:**

.....M,....., 2011

**Approved:**

.....M,....., 2011

.....  
John Kitzhaber, Governor

**Filed in Office of Secretary of State:**

.....M,....., 2011

.....  
Kate Brown, Secretary of State