

# Enrolled House Bill 4005

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Agriculture and Natural Resources)

CHAPTER .....

AN ACT

Relating to a tax credit for livestock killed by predators; and prescribing an effective date.

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

**SECTION 1. Section 2 of this 2012 Act is added to and made a part of ORS chapter 315.**

**SECTION 2. (1) As used in this section, "livestock" has the meaning given that term in ORS 610.150.**

**(2) A credit against taxes imposed under ORS chapter 316 (or, if the taxpayer is a corporation, under ORS chapter 317 or 318) shall be allowed for the current market value of any livestock that belongs to the taxpayer and that is killed during the tax year by a wolf.**

**(3) In order to qualify for the credit allowed under this section, the taxpayer must obtain written certification from the State Department of Fish and Wildlife as provided in subsection (4) of this section.**

**(4)(a) The State Department of Fish and Wildlife shall issue written certification to taxpayers that are eligible to claim the credit allowed under this section. Before issuing a certification under this subsection, the department must possess evidence that the loss to a taxpayer's livestock is due to wolf depredation. The evidence must include a finding by the department or by a peace officer, as defined in ORS 161.015, that wolf depredation was the probable cause of the loss.**

**(b) The department may not issue certifications for more than \$37,500 in tax credits for any tax year. The department shall issue certifications to taxpayers in the order in which completed applications for certification are received by the department.**

**(5) A credit allowed under this section shall be reduced by any amount that a taxpayer has already received as compensation for the killed livestock, including compensation pursuant to ORS 610.150.**

**(6) A taxpayer may not claim a credit under this section for:**

**(a) Any tax year that ends after the date on which the State Fish and Wildlife Commission has, by rule, removed the wolf from the list of endangered species established pursuant to ORS 496.172 (2); or**

**(b) A loss to livestock killed after June 30, 2018.**

**(7) If the amount allowable as a credit under this section, when added to the sum of the amounts allowable as payment of tax under ORS 316.187 (withholding), ORS 316.583 (estimated tax), other tax prepayment amounts and other refundable credit amounts, exceeds the taxes imposed by ORS chapters 314 and 316 for the tax year (reduced by any nonrefundable**

credits allowable for purposes of ORS chapter 316 for the tax year), the amount of the excess shall be refunded to the taxpayer as provided in ORS 316.502.

(8) The credit shall be claimed on a form prescribed by the Department of Revenue that contains the information required by the department.

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

(10) In the case of a credit allowed under this section:

(a) A nonresident shall be allowed the credit in the proportion provided in ORS 316.117.

(b) If a change in the status of the taxpayer from resident to nonresident or from nonresident to resident occurs, the credit shall be determined in a manner consistent with ORS 316.117.

(c) If a change in the taxable year of the taxpayer occurs as described in ORS 314.085, or if the department terminates the taxpayer's taxable year under ORS 314.440, the credit shall be prorated or computed in a manner consistent with ORS 314.085.

**SECTION 3.** Section 2 of this 2012 Act applies to tax years beginning on or after January 1, 2012, and before January 1, 2019.

**SECTION 4.** This 2012 Act takes effect on the 91st day after the date on which the 2012 regular session of the Seventy-sixth Legislative Assembly adjourns sine die.

Passed by House February 29, 2012

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Ramona Kenady Line, Chief Clerk of House

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Bruce Hanna, Speaker of House

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Arnie Roblan, Speaker of House

Passed by Senate March 2, 2012

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Peter Courtney, President of Senate

Received by Governor:

.....M.,....., 2012

Approved:

.....M.,....., 2012

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John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M.,....., 2012

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Kate Brown, Secretary of State