

PRELIMINARY

77TH OREGON LEGISLATIVE ASSEMBLY
2013 REGULAR SESSION
STAFF MEASURE SUMMARY
SENATE FINANCE AND REVENUE COMMITTEE

MEASURE: HB 2763 –B10
CARRIER:

REVENUE:
FISCAL:

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Chris Allanach, Economist

Meeting Dates: 6/5

WHAT THE BILL DOES: Increases the maximum amount of qualified low-income community investments from \$4 million to \$8 million. Makes technical changes to the timing of issuing the investment for environmental projects. Ignores the Qualified Equity Investment tax credit when applying the amount of corporate taxes used in the calculation of the retaliatory tax. Requires the Oregon Business Development Department to disclose certain information related to the issuance of the tax credits, such as the amount of tax credits issue, related transaction costs and net financial benefit to the taxpayer; and the net financial benefit to the Community Development Entities. The changes to the investment cap and environment projects apply to tax years beginning on or after January 1, 2012. The change affecting the retaliatory tax applies to tax years beginning on or after January 1, 2013.

ISSUES DISCUSSED:

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EFFECT OF COMMITTEE AMENDMENTS:

BACKGROUND: The Oregon Low Income Community Jobs Initiative, also known as the Oregon New Markets Tax Credit program, was created in 2011. It is a financing tool that provides incentives for qualifying business projects in low-income areas with the intent of stimulating investment in such areas. The Oregon program is tied to the federal New Markets Tax Credit.

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