

**PRELIMINARY** STAFF MEASURE SUMMARY

CARRIER:

Senate Committee on Veterans and Emergency Preparedness

**REVENUE:** Revenue statement issued (“lite” on both, intro and -1)**FISCAL:** Minimal fiscal impact (on both intro and -1)**SUBSEQUENT REFERRAL TO:** Joint Tax Credits**Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Cheyenne Ross, Administrator**Meeting Dates:** 2/14, 2/21, 3/7

**WHAT THE MEASURE DOES:** Creates personal and corporate income tax credit for employment of veterans if certain conditions are met. Applies to tax years beginning on or after January 1, 2013, and before January 1, 2019. Takes effect on 91st day following adjournment *sine die*.

**ISSUES DISCUSSED:**

- Corresponding federal program
- Anticipation of ongoing future need for incentives as troops return home
- A few large employers publicly commit to hiring more veterans even without additional incentives

**EFFECT OF COMMITTEE AMENDMENT:**

*[-1 amendment]* Requires qualifying veterans to work in Oregon. Cleans up language concerning amount of credit available depending upon number of hours worked. Requires the Oregon Department of Veterans’ Affairs to notify eligible taxpayers. Removes record keeping requirements, permitting existing law to govern.

**BACKGROUND:** Veteran unemployment rates in Oregon and nationwide are generally higher than the public at large. The “gap” in civilian employment caused by military service can sometimes be an impediment for veterans; and for many veterans, employment can be a significant stabilizing factor in his or her successful return to civilian life. Senate Bill 133 permits one tax credit of up to \$1000, per employer, per each qualified veteran employed full-time, for a full year, within two years of honorable discharge, to encourage employers to hire veterans at rates equivalent to the general public.