

D R A F T

SUMMARY

Modifies income tax credit allowed for market value of livestock killed by wolves by substituting tax credit for nonlethal means to reduce wolf depredation.

Applies to tax years beginning on or after January 1, 2014, and before January 1, 2019.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to tax credits for livestock; creating new provisions; amending section 2, chapter 65, Oregon Laws 2012; and prescribing an effective date.

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

SECTION 1. Section 2, chapter 65, Oregon Laws 2012, is amended to read:

Sec. 2. (1) As used in this section, [*“livestock” has the meaning given that term in ORS 610.150*] **“nonlethal means to reduce wolf depredation” includes:**

(a) Utilizing boxes, containers or receptacles for the collection of solid waste and recyclable materials that wildlife are not able to open;

(b) Installing motion sensors, frightening devices or fencing;

(c) Penning animals at night;

(d) Removing animal carcasses from pastures; and

(e) Using guard animals.

(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*] **if, in a county that qualifies for**

1 **a grant under the wolf depredation compensation and financial as-**
2 **sistance grant program established in ORS 610.150, the taxpayer im-**
3 **plements nonlethal means to reduce wolf depredation. The amount**
4 **allowed under this section is \$500.**

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

8 (4)(a) The State Department of Fish and Wildlife shall issue written cer-
9 tification to taxpayers that are eligible to claim the credit allowed under this
10 section. Before issuing a certification under this subsection, the department
11 [*must possess evidence that the loss to a taxpayer's livestock is due to wolf*
12 *depredation. The evidence must include a finding by the department or by a*
13 *peace officer, as defined in ORS 161.015, that wolf depredation was the prob-*
14 *able cause of the loss*] **shall verify that the taxpayer has satisfactorily**
15 **implemented nonlethal means to reduce wolf depredation.**

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

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

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

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

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

28 [(7)] **(5)** If the amount allowable as a credit under this section, when
29 added to the sum of the amounts allowable as payment of tax under ORS
30 316.187 (withholding), ORS 316.583 (estimated tax), other tax prepayment
31 amounts and other refundable credit amounts, exceeds the taxes imposed by

1 ORS chapters 314 and 316 for the tax year (reduced by any nonrefundable
2 credits allowable for purposes of ORS chapter 316 for the tax year), the
3 amount of the excess shall be refunded to the taxpayer as provided in ORS
4 316.502.

5 [(8)] (6) The credit shall be claimed on a form prescribed by the Depart-
6 ment of Revenue that contains the information required by the department.

7 [(9)] (7) Any tax credit otherwise allowable under this section that is not
8 used by the taxpayer in a particular tax year may be carried forward and
9 offset against the taxpayer's tax liability for the next succeeding tax year.
10 Any credit remaining unused in the next succeeding tax year may be carried
11 forward and used in the second succeeding tax year, and likewise any credit
12 not used in that second succeeding tax year may be carried forward and used
13 in the third succeeding tax year, but may not be carried forward for any tax
14 year thereafter.

15 [(10)] (8) In the case of a credit allowed under this section:

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

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

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

25 **SECTION 2. The amendments to section 2, chapter 65, Oregon Laws**
26 **2012, by section 1 of this 2013 Act apply to tax years beginning on or**
27 **after January 1, 2014, and before January 1, 2019.**

28 **SECTION 3. This 2013 Act takes effect on the 91st day after the date**
29 **on which the 2013 regular session of the Seventy-seventh Legislative**
30 **Assembly adjourns sine die.**

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