

Enrolled
House Bill 2002

Sponsored by Representatives GALLEGOS, KOTEK; Representatives FAGAN, FREDERICK,
GORSEK, GREENLICK, KOMP

CHAPTER

AN ACT

Relating to analysis of tax credit legislation.

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

SECTION 1. Section 2 of this 2013 Act is added to and made a part of ORS chapter 315.

SECTION 2. (1) Prior to the beginning of each odd-numbered year regular session, the Legislative Revenue Officer shall submit a report addressing each income or excise tax credit that is scheduled to expire during the next even-numbered year. The Legislative Revenue Officer shall submit the report to a committee of the Legislative Assembly related to revenue, and may include information related to other tax credits in the report at the direction of an interim committee related to revenue. In preparing the report, the Legislative Revenue Officer shall seek input from the Department of Revenue, the Legislative Fiscal Officer and state agencies involved in administering any given credit.

(2) The report required in subsection (1) of this section shall set forth:

- (a) The stated public policy purpose, if any, of the credit.**
- (b) The expected timeline for achieving the public policy purpose, if a timeline exists.**
- (c) The best means of measuring achievement of the public policy purpose.**
- (d) The taxpayers or other entities or individuals that directly benefit from allowance of the credit and whether the credit is intended to benefit particular targets.**
- (e) The effectiveness of the credit in benefiting its targets and any evidence that demonstrates its impact on its targets.**
- (f) The expected results if the credit is allowed to expire under current law and any potential results of making incremental changes in the value of the credit rather than allowing it to expire.**
- (g) Background information on the effect of similar credits allowed in other states.**
- (h) Information regarding whether use of a tax credit is an effective and efficient way to achieve the stated policy goal.**
- (i) The administrative and compliance costs associated with the credit.**
- (j) Analysis of whether a direct appropriation might achieve the stated public policy purpose of the credit more efficiently.**
- (k) What other incentives, including state or local subsidies or federal tax expenditures or subsidies, are available in this state that have a similar policy purpose.**

Passed by House June 28, 2013

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Ramona J. Line, Chief Clerk of House

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Tina Kotek, Speaker of House

Passed by Senate July 1, 2013

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Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2013

Approved:

.....M,....., 2013

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John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M,....., 2013

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Kate Brown, Secretary of State