

# House Bill 2895

Sponsored by COMMITTEE ON ENERGY AND ENVIRONMENT

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

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

1  
2 Relating to tax credits for livestock; creating new provisions; amending section 2, chapter 65,  
3 Oregon Laws 2012; and prescribing an effective date.

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

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

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

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

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

11 (c) **Penning animals at night;**

12 (d) **Removing animal carcasses from pastures; and**

13 (e) **Using guard animals.**

14 (2) A credit against taxes imposed under ORS chapter 316 (or, if the taxpayer is a corporation,  
15 under ORS chapter 317 or 318) shall be allowed [*for the current market value of any livestock that*  
16 *belongs to the taxpayer and that is killed during the tax year by a wolf*] **if, in a county that qualifies**  
17 **for a grant under the wolf depredation compensation and financial assistance grant program**  
18 **established in ORS 610.150, the taxpayer implements nonlethal means to reduce wolf**  
19 **depredation. The amount allowed under this section is \$500.**

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

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

29 (b) The department may not issue certifications for more than \$37,500 in tax credits for any tax  
30 year. The department shall issue certifications to taxpayers in the order in which completed appli-

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 cations for certification are received by the department.

2 [(5) A credit allowed under this section shall be reduced by any amount that a taxpayer has al-  
 3 ready received as compensation for the killed livestock, including compensation pursuant to ORS  
 4 610.150.]

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

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

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

10 [(7)] (5) If the amount allowable as a credit under this section, when added to the sum of the  
 11 amounts allowable as payment of tax under ORS 316.187 (withholding), ORS 316.583 (estimated tax),  
 12 other tax prepayment amounts and other refundable credit amounts, exceeds the taxes imposed by  
 13 ORS chapters 314 and 316 for the tax year (reduced by any nonrefundable credits allowable for  
 14 purposes of ORS chapter 316 for the tax year), the amount of the excess shall be refunded to the  
 15 taxpayer as provided in ORS 316.502.

16 [(8)] (6) The credit shall be claimed on a form prescribed by the Department of Revenue that  
 17 contains the information required by the department.

18 [(9)] (7) Any tax credit otherwise allowable under this section that is not used by the taxpayer  
 19 in a particular tax year may be carried forward and offset against the taxpayer's tax liability for  
 20 the next succeeding tax year. Any credit remaining unused in the next succeeding tax year may be  
 21 carried forward and used in the second succeeding tax year, and likewise any credit not used in that  
 22 second succeeding tax year may be carried forward and used in the third succeeding tax year, but  
 23 may not be carried forward for any tax year thereafter.

24 [(10)] (8) In the case of a credit allowed under this section:

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

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

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

31 **SECTION 2. The amendments to section 2, chapter 65, Oregon Laws 2012, by section 1**  
 32 **of this 2013 Act apply to tax years beginning on or after January 1, 2014, and before January**  
 33 **1, 2019.**

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

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