

House Bill 3297

Sponsored by Representative BARNHART

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**.

Directs state agencies administering tax expenditures with purpose connected to economic development to establish policies and procedures for establishing and verifying goals and objectives of tax expenditures. Requires information to be posted on Oregon transparency website.

Applies to certifications or approvals of tax expenditures that occur on or after January 1, 2014, and to tax expenditures that do not require certification or approval and that are otherwise allowed in tax years beginning on or after January 1, 2014.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to evaluation of tax expenditures; and prescribing an effective date.

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

4 **SECTION 1. (1) As used in this section, "tax expenditure" has the meaning given that**
5 **term in ORS 291.201.**

6 **(2) All tax expenditures established under Oregon law with a purpose connected to eco-**
7 **nomical development shall include policies and procedures:**

8 **(a) For establishing goals and objectives in relation to the tax expenditure for each tax-**
9 **payer or applicant allowed the tax expenditure;**

10 **(b) For verifying that each taxpayer or applicant has met the goals and objectives es-**
11 **tablished in paragraph (a) of this subsection; and**

12 **(c) For determining that the allowance of a tax expenditure was necessary in order to**
13 **achieve the goals and objectives of each taxpayer or applicant.**

14 **(3) All state agencies charged with certifying or administering a tax expenditure de-**
15 **scribed in this section shall establish policies and procedures for disallowing any tax ex-**
16 **penditure already awarded and recouping any taxes due by reason of the disallowance, from**
17 **taxpayers or applicants who do not demonstrate achievement of expected goals and objec-**
18 **tives or who otherwise fail to comply with this section.**

19 **(4) A state agency may not certify taxpayers or otherwise authorize allowance of a tax**
20 **expenditure until the state agency has established the policies and procedures required by**
21 **this section.**

22 **(5) All information collected pursuant to this section shall be posted at the taxpayer level**
23 **at least once per year on the Oregon transparency website required under ORS 184.483, in**
24 **conformity with the requirements of ORS 184.484.**

25 **(6) This section does not apply to tax expenditures that have existing reporting require-**
26 **ments of a comparable nature.**

27 **SECTION 2. Section 1 of this 2013 Act applies to certifications or approvals of tax**
28 **expenditures that occur on or after January 1, 2014, and to tax expenditures that do not re-**

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 **quire certification or approval and that are otherwise allowed in tax years beginning on or**
2 **after January 1, 2014.**

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

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