

**76TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
SENATE FINANCE AND REVENUE COMMITTEE**

**MEASURE: HB 4005 A
CARRIER: Sen. Beyer**

**REVENUE: Revenue Impact Statement Issued
FISCAL: Minimal Fiscal Impact**

Action: Do Pass
Vote: 3-0-2
Yeas: George, Hass, Burdick
Nays: 0
Exc.: Baertschiger Jr., Rosenbaum

Prepared By: Christine Broniak, Economist
Meeting Dates: 2/24, 2/26

WHAT THE BILL DOES: Increases the cap on the total number of electronic commerce zones from 10 to 15. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Reasons to increase the number of zone designations
- Potential impact on job creation

EFFECT OF COMMITTEE AMENDMENTS: No Amendments

BACKGROUND: The Electronic Commerce Zone designation allows qualified companies to claim an income tax credit if they operate within an enterprise zone and are engaged in e-commerce. The credit is 25 percent of investments made during the tax year, up to \$2 million. In 2002 four zones were designated. In 2005, the Legislature increased that number to ten.