

Tax Credit Committee Policy Questions

1. What is the public policy purpose of this credit? Is there an expected timeline for achieving this goal?
2. Who (groups of individuals, types of organizations or businesses) directly benefits from this credit? Does this credit target a specific group? If so, is it effectively reaching this group?
3. What is expected to happen if this credit fully sunsets? Could adequate results be achieved with a scaled down version of the credit? What would be the effect of reducing the credit by 50%?
4. What background information on the effectiveness of this type of credit is available from other states?
5. Is use of a tax credit an effective and efficient way to achieve this policy goal? What are the administrative and compliance costs associated with this credit? Would a direct appropriation achieve the goal of this credit more efficiently?
6. What other incentives (including state or local subsidies, federal tax expenditures or subsidies) are available that attempt to achieve a similar policy goal?
7. Could this credit be modified to make it more effective and/or efficient? If so, how?