

**Tax Credit RENEWALS: (\$ in millions/biennium)**

	Current Cost	Proposed
HB 2113: Office of Child Care Quality Incentiv	\$1.10	\$5.00
*HB 2115: Working Family Child Care (WFCC)	\$43.50	\$0.00
HB 2116: Child & Dependent Care (CDC)	\$16.70	\$64.00
HB 2122: Child w/Disability	\$11.90	\$10.50
HB 2119: Severe Disability	\$12.10	\$11.10
HB 2120: Loss of Limbs	\$0.03	\$0.00
HB 2121: Elderly & Permanently Disabled	\$0.10	\$0.00
HB 2123: Long Term Care Insurance Premium	\$20.80	\$0.00
HB 2124: Cost in Lieu of Nursing Home Care	<u>\$0.10</u>	<u>\$0.00</u>
<b>Subtotal</b>	<b>\$106.33</b>	<b>\$90.60</b>

**All sunset in 6 years except EITC**

\*increase, as per SB 212  
 sunset; fold into CDC  
 step up/down; increase caps, refundable indexed, cap at \$100k saves \$1.4 mil  
 indexed, cap at \$100k saves \$1 mil  
 sunset, used by few  
 sunset, used by few, too little money to help  
 sunset  
 sunset  
 nearly \$16 mil savings to the GF

\*HB 2113 child care credit actually brings a net gain to the state since the taxpayer gets a 75% credit and still owes 25%. To receive the \$5M in tax credits, taxpayers must donate \$6.67M to the OCC. \$5M is redirected from the GF, but the OCC receives an additional \$1.67M in funding directly from the tax credit claimants, to be used for other projects.

**Tax Credit NEW PROPOSALS (annual cost because start in 2016) :**

HB 2239: Employer Credit, Hiring at Risk Yout	\$0.00	\$7.00
*HB 2068: EITC increase for infants (2x cost)	<u>\$0.00</u>	<u>\$7.00</u>
<b>Total</b>	<b>\$0.00</b>	<b>\$104.60</b>

Rep John Davis (4/29 update: LESS \$)  
 4 yr sunset to align with EITC schedule

*EITC increase (currently 8% of fed credit)	% per age	0-1 year	0-2	0-3	0-4	0-5	annual \$
These are the costs per YEAR	8%	-	-	-	-	-	\$229
	10%	\$2.3	\$3.3	\$4.2	\$5.1	\$5.9	\$286
	12%	\$4.6	\$6.7	\$8.5	\$10.2	\$11.7	\$343
	<b>14%</b>	<b>\$7.0</b>	<b>\$10.0</b>	\$12.7	\$15.3	\$17.6	<b>\$400</b>
	16%	\$9.3	\$13.3	\$17.0	\$20.4	\$24.4	\$457
	18%	\$11.6	\$16.7	\$21.2	\$25.5	\$29.3	\$514
	<u>20%</u>	<u>\$13.9</u>	<u>\$20.0</u>	<u>\$25.5</u>	<u>\$30.6</u>	<u>\$35.1</u>	<u>\$571</u>
	# of filers	34,044	48,728	62,109	74,515	85,557	

**EITC long term goal: raise credit for families with 0-1 year old to 16%, 1-2 year old by 14%.**

**\*Who got WFCC but not CDC**

	Explanation	Returns	Reasons
FTI > \$45,000 (too high income)	ineligible	17	Phased out credit too quickly
Pre-tax benefits > limits	ineligible	145	unfair; double credit
WFC expenses < pre-tax benefits	ineligible	174	unfair; double credit
Oregon tax liability 0 (income too low)	unable to use	341	we will fix that in the new CDC
Federal tax liability 0 (income too low)	unable to use	746	we will fix that in the new CDC
unexplained		<u>236</u>	
<b>WFC only (didn't get OR CDC)</b>	<b>total</b>	<b>1659</b>	inconsistent yr to yr, so no pattern