

Charles Sheketoff, Executive Director
Oregon Center for Public Policy
Before the House Committee on Revenue
In Opposition to HB 2239-A
May 5, 2015

As currently drafted, a taxpayer using HB 2239-A could use the credit to avoid Oregon's corporate minimum tax.

Just like the BETC tax credit at issue in the Con-way litigation, the credit in HB 2239-A can be used "against taxes that are otherwise due" *and* the legislation as drafted fails to prohibit use of the credit against the corporate minimum tax.

Those two features of the BETC credit are what led the Oregon Supreme Court to allow Con-way to use BETC credits it had purchased to get around the state's minimum tax obligation.

The legislature should be taking steps to close off the Con-way end run around the corporate minimum tax, not expand it with a new tax credit.