

## Joint Committee on Tax Credits Tax Credit Omnibus Bill Outline

Tax Credit Policy	Bill Number	2015-17	2017-19	2019-21
TRICARE for Health Care Providers			Allowed to Sunset	
Employer Provided Dependent Care Assistance			Allowed to Sunset	
Qualified Low-Income Community Investments			Allowed to Sunset	
Costs in-lieu of Nursing Home Care			Allowed to Sunset	
Long-Term Care Insurance			Allowed to Sunset	
Elderly or Permanently Disabled			Allowed to Sunset	
Loss of Limbs			Allowed to Sunset	
Oregon Life and Health IGA Assessments	HB 2210 / SB 52		< \$50K per year	
Oregon Veterans' Home Physician	HB 2108 / SB 54		< \$50K per year	
Rural Medical Providers	HB 2125	-\$1.0	-\$3.7	-\$3.0
Working Family Child and Dependent Care	HB 2116	-\$31.4	-\$63.4	-\$64.5
Office of Child Care Contributions	SB 212	-\$2.2	-\$4.9	-\$5.0
Child with a Disability	HB 2122	-\$4.6	-\$10.2	-\$11.7
Severe Disability	HB 2119	-\$5.3	-\$11.6	-\$13.0
Public University Venture Development Fund	HB 2569 / SB 44	-\$0.9	-\$1.9	-\$1.9
Individual Development Account Contributions	HB 2011	-\$6.9	-\$14.3	-\$14.5
Individual Development Account Withdrawals	HB 2011	-\$0.2	-\$0.3	-\$0.3
<b>Subtotal</b>		<b>-\$52.4</b>	<b>-\$110.3</b>	<b>-\$113.8</b>

### Tax Credit Offsets

RETC modifications	HB 2447	\$0.3	\$0.3	\$0.0
2-year freeze on CPI adj to fed tax subtraction		\$9.4	\$0.0	\$0.0
Conway		\$19.2	\$20.4	\$20.7
Early sunset of Long-term Care Insurance		\$10.4	\$0.0	\$0.0
<b>Subtotal</b>		<b>\$39.3</b>	<b>\$20.7</b>	<b>\$20.7</b>

<b>Total</b>		<b>-\$13.1</b>	<b>-\$89.6</b>	<b>-\$93.1</b>
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Ways & Means Co-Chairs Target	\$14.0
Difference from Co-Chairs Target	\$0.9

### Possible Policy Adjustments

Electronic Vehicles <sup>1</sup>	HB 2092			
Food processors <sup>2</sup>	HB 3125	\$0.0	\$0.0	\$0.0
Film & Video	SB 872	-\$7.6	-\$4.0	-\$0.4
Wolf depredation	HB 3514	-\$0.1	-\$0.1	-\$0.1
Pass-thru tax rates and eligibility	HB 2688	\$15.0	\$24.6	\$28.6
Home Mortgage Interest deduction limit	HB 3342	\$14.2	\$14.0	\$15.9
<b>Subtotal</b>		<b>\$21.5</b>	<b>\$34.5</b>	<b>\$44.0</b>

Notes:

<sup>1</sup> The bill currently has a blank for the amount of tax credits.

<sup>2</sup> Would have an impact on local revenue from property taxes.

## Draft Purpose Statements

### Oregon Life and Health IGA Assessments

To spread the cost of paying claims against insolvent life & health insurance companies to as broad a base as possible.

### Oregon Veterans' Home Physician

To improve access to long-term, specialized residential care for veterans.

### Rural Medical Providers

To improve access to medical care for rural Oregonians.

### Working Family Child and Dependent Care

To enable low-income working families to care for young children and disabled dependents by offsetting costs so that they may be gainfully employed or attend school full-time.

### Office of Child Care Contributions

To improve the quality of child care programs through education awards and quality improvement grants.

### Child with a Disability

To provide financial relief and offset costs associated with a child's disability.

### Severe Disability

To provide financial relief and offset costs associated with a taxpayer's/spouse's disability.

### Public University Venture Development Fund

As provided in ORS 351.697(1): To facilitate the commercialization of university R&D.

### Individual Development Account Contributions

As provided in ORS 458.675: To fund an asset based prosperity strategy for low-income Oregonians that promotes personal financial management, investment, and savings for key assets.

### Individual Development Account Withdrawals

To increase homeownership rates among low-income Oregonians by offsetting, in part, the transaction costs of purchasing a home.

## Potential Amendments

### Individual Development Account Contributions

1. Codify the contribution cap at \$\_\_\_\_
2. Reduce maximum credit to 70%
3. Award tax credits via an auction
4. Disallow subtraction for 529 contributions
5. Create an addback for federal IRA deduction

### Rural Medical Providers

1. Adjust credit amount for distance from population center

### Working Family Child and Dependent Care

1. Move phase-out to 250%
2. Credit phase-out depends on larger of OAGI or FAGI
3. Provide DOR with access to ERDC data for compliance purposes
4. Create a penalty for unlawfully claiming the credit

### Public University Venture Development Fund

1. Modify cap to \$1M for contributions
2. Modify program cap to \$25M for contributions