

STAFF MEASURE SUMMARY

House Committee On Agriculture and Natural Resources

Fiscal: Has minimal fiscal impact

Revenue: Revenue impact issued

Action Date: 04/21/15

Action: Do Pass With Amendments, Be Printed Engrossed And Be Referred To Revenue By Prior Reference.

Meeting Dates: 04/16, 04/21

Vote:

Yeas: 8 - Barreto, Esquivel, Frederick, Krieger, McKeown, McLain, Whitsett, Witt

Exc: 1 - Gorsek

Prepared By: Chuck Gallagher, Committee Administrator

WHAT THE MEASURE DOES:

Repeals sunset of tax credit for compensation for loss of livestock due to wolf depredation. Allows credit to include cost of non-lethal actions undertaken by taxpayer to minimize conflict between wolves and livestock or working dogs and compensation for above-normal loss to livestock attributed to wolf depredation. Eliminates provision that disallows credit if State Fish and Wildlife Commission has removed wolf from list of endangered species. Increases maximum amount of total credits that may be certified by Oregon Department of Fish and Wildlife (ODFW) for any tax year from \$37,500 to \$150,000. Requires counties that participate in tax credit program provide ODFW list of approved taxpayers and corresponding amounts eligible for credits. Applies to tax years beginning on or after January 1, 2015. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Capacity of existing programs that offset predation damages
- Process of claiming tax credit
- Occurrence of wolf predation

EFFECT OF COMMITTEE AMENDMENT:

Specifies credit under program for above-normal loss to livestock attributed to wolf depredation must be within area of known wolf activity designated by Oregon Department of Fish and Wildlife (ODFW). Specifies taxpayer eligibility for credit for nonlethal actions taken to minimize conflict between wolves and livestock pertains to taxpayers within area of known wolf activity designated by ODFW.

BACKGROUND:

In 2012, the Legislative Assembly enacted House Bill 4005, establishing a credit against income taxes for the current market value of any livestock that belongs to a taxpayer and killed by a wolf. In order to claim the tax credit the taxpayer must submit evidence that includes a finding by the Department of Fish and Wildlife or a peace officer that a wolf was the probable cause of the loss. The Act stipulates that the tax credit is to be reduced by any amount the taxpayer has already received as compensation for the killed livestock. The tax credit sunsets on January 1, 2019.

House Bill 3514 A would remove the sunset on the tax credit and add costs which may be claimed under the credit.