

PRELIMINARY STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

Fiscal: May have fiscal impact, but no statement yet issued

Revenue: May have revenue impact, but no statement yet issued

Action Date:

Action:

Meeting Dates: 02/02, 02/09, 02/11, 02/16, 02/17

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WHAT THE MEASURE DOES:

Makes four technical changes to tax credits:

1. Removes references to "highway miles" from the Rural Medical Providers tax credit
2. Creates a taxpayer cap \$500,000 for the Individual Development Account contributions tax credit
3. Clarifies the policy of applying personal kicker amounts to outstanding taxpayer debt or liability
4. Clarifies that the annual Residential Energy tax credit may not exceed \$1,500 for any one device.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

-5 adds two credits:

1. the film & video tax credit, increasing the cap to \$12M in 2016 and then to \$14M in 2017; changes the allocation of funds
2. extends the biomass manure tax credit to 1/1/2022 and lowers the tax credit rate from \$5 per wet ton to \$3.50 per wet ton beginning in 2016

-7 adds clawback provisions to the biomass tax credit

-8 is identical to the -5 except it adds additional language for the allocation of Film & Video funds to areas outside of the Portland area.

BACKGROUND:

Three of the four affected tax credits in the bill were subject to Legislative review in 2015. The changes included here are clarifications or corrections to the policies that were adopted at that time. The changes to the kicker credit follow the issuance of the personal kicker as a tax credit for the first time since the 1990s. The Department of Revenue notified the Legislature of the technical issue during Legislative Days in 2015; the change included here codifies the department's solution.