

PRELIMINARY STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

**Fiscal:** Has minimal fiscal impact

**Revenue:** Revenue impact issued

---

**Action Date:**

**Action:**

**Meeting Dates:**

**Prepared By:** Chris Allanach, Senior Economist

---

**WHAT THE MEASURE DOES:**

Increases the Oregon Earned Income Tax Credit from 8% of the federal credit to 11% for taxpayers with a dependent under the age of three. Applies to tax years 2017 through 2019. Clarifies the meaning of the term 'conveyance' so that the partial transfer of property for state highway, county road or city street purposes is exempt from the requirements of ORS 311.411.

**ISSUES DISCUSSED:**

**EFFECT OF COMMITTEE AMENDMENT:**

-A7 modifies the duties of the Director and Deputy Director of the Department of Revenue by including "financial administration"

-A9 grants a two-month extension to an energy conservation project in Harney county that was affected by recent events

**BACKGROUND:**

The Oregon earned income tax credit was created in 1997 at a rate of 5% of the federal credit. It was initially nonrefundable. In 2006 it became refundable. The percentage was increased to 6% in 2008 and to 8% in 2013. It is scheduled to sunset on 1/1/2020.