

**HB 2887 STAFF MEASURE SUMMARY**

**House Committee On Veterans and Emergency Preparedness**

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**Prepared By:** Bradley Volk, LPRO Analyst

**Sub-Referral To:** House Committee On Revenue

**Meeting Dates:** 3/16

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**WHAT THE MEASURE DOES:**

Creates a personal and corporate income tax credit for employers who hire qualifying military veterans. Permits employers with 100 or less employees a tax credit of \$1000 per qualifying veteran per tax year, increasing \$100 per year, not to exceed \$1500. Permits all other employers \$750 per qualifying veteran per tax year, increasing \$100 per year, not to exceed \$1250. Authorizes rulemaking by the Oregon Department of Veterans' Affairs. Applies to tax years beginning on or after January 1, 2017, and before January 1, 2023. Takes effect 91st day after *sine die*.

*FISCAL: May have fiscal impact*

*REVENUE: May have revenue impact*

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

The Work Opportunity Tax Credit (WOTC) is a federal tax credit available to private businesses and certain non-profit organizations for hiring certain individuals, including veterans, who may face barriers to employment. The WOTC only applies to new employees and is a one-time credit per employer for hiring persons from targeted populations. There is currently no tax credit exclusively for hiring veterans.

House Bill 2887 creates a personal and corporate credit against income taxes for hiring qualified veterans, of \$750 to \$1000 per veteran depending on the size of the employer. The tax credit increases annually up to \$1250 and \$1500, respectively.