

HB 3005 STAFF MEASURE SUMMARY

House Committee On Human Services and Housing

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Sub-Referral To: House Committee On Revenue

Meeting Dates: 3/21

WHAT THE MEASURE DOES:

Creates refundable credit on personal income taxes used for eligible rental payments, if an individual makes at least eight months of rental payments and has a household income not exceeding 300 percent of the federal poverty guidelines. Applies to tax years beginning on or after January 1, 2018 and before January 1, 2024. Effective 91st day following sine die.

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

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

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

There are three types of Oregon tax credits: standard, carryforwards, and refundable. Refundable credits may exceed an individual's tax liability and the excess amount will be refunded to the taxpayer.

Federal programs use poverty guidelines for determining financial eligibility of certain programs. States and local governments may use federal poverty guidelines for determining local program eligibility.

House Bill 3005 creates a refundable credit on personal income taxes that may be used for eligible rental payments, if an individual makes at least eight months of rental payments and has a household income not exceeding 300 percent of the federal poverty guidelines. The measure applies to tax years beginning on or after January 1, 2018 and before January 1, 2024.