

HB 3141 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 3/22

WHAT THE MEASURE DOES:

Requires the Department of Revenue (DOR) to provide a list of potential earned income tax credit claimants to qualified nonprofit organizations that would then contact those taxpayers about their possible eligibility for the tax credit. Grants rule-making authority to the DOR for designating qualified organizations using certain criteria. Allows the nonprofit organization to receive part of the tax credit as compensation for any assistance provided to the taxpayer. Applies to tax years 2017 and later.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

BACKGROUND:

Oregon's refundable earned income tax credit is 8% of the federal tax credit. It increases to 11% for tax years 2017 to 2019 for filers with a dependent under the age of 3. It is scheduled to sunset on January 1, 2020. In tax year 2014, nearly 297,000 filers claimed and used a total of \$48 million in Oregon earned income tax credits. Full-year filers accounted for roughly 267,000 filers and \$45 million.