

SB 170 STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

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Sub-Referral To: Joint Committee On Tax Credits
Meeting Dates: 4/17

WHAT THE MEASURE DOES:

Extends the sunset for the tax credit for energy conservation projects from January 1, 2018 to January 1, 2024.

FISCAL:

REVENUE:

NOTE: MEASURE HAS SUBSEQUENT REFERRAL TO JOINT COMMITTEE ON TAX CREDITS

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Taxpayers who invest in a qualifying energy conservation project are allowed to claim a tax credit of up to 35 percent of the eligible project costs, as certified by the Oregon Department of Energy. The credit is taken over five years and may not exceed the tax liability of the taxpayer. Ten percent of the certified cost of the facility may be claimed in the first and second years and five percent may be claimed in the succeeding three years. If the project has certified costs of no more than \$20,000, the tax credit may be taken in one year. The credit has a five-year carry-forward and may be transferred. There is a program cap of \$28 million in tax credits that may be issued per biennium.