

HB 3041 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Chris Allanach, Senior Economist

Meeting Dates: 5/1

WHAT THE MEASURE DOES:

Increases the crop donation tax credit from 15 percent of the wholesale price to 25 percent of the wholesale price. Applies to tax years 2017 through 2019.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

BACKGROUND:

This tax credit was originally created in 1977 and was allowed to sunset on January 1, 2012. Prior to that expiration the tax credit was equal to 10 percent of the wholesale price. It was reinstated in 2014 for tax years 2014 through 2019 at a rate of 15 percent of the wholesale price. In tax year 2014, roughly 170 taxpayers claimed a total of \$225,000 and used \$160,000 in tax credits to reduce tax liability.