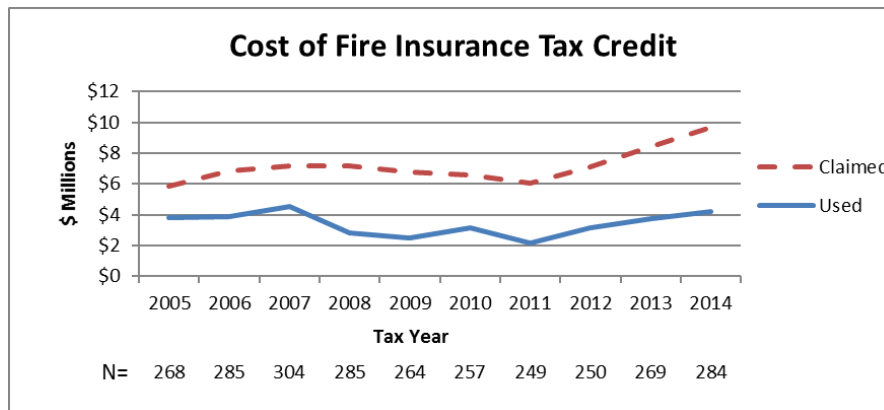


Fire Insurance

ORS 317.122(1)	Year Enacted: 1969	Transferable: No
	Length: 1-year	Means Tested: No
	Refundable: No	Carryforward: None
TER 1.450	Kind of cap: None	Inflation Adjusted: No

Policy Purpose: This tax credit appears to be a mechanism for directing General Fund dollars to help fund the Office of the State Fire Marshall (OSFM), which is primarily funded by the Fire Insurance Gross Premiums Tax.

Description and Revenue Impact: Corporations are allowed a tax credit for Fire Insurance Premium Tax (FIPT) paid in Oregon. Property and casualty insurers who write fire insurance policies pay both the corporation excise tax and the FIPT. There is no carryforward.



GF Impact of Extension (\$M)	2017-19	2019-21	2021-23
Corporate Excise Tax	-\$4.0	-\$8.2	-\$8.6
Retaliatory Tax	\$2.8	\$5.7	\$6.0
Total	-\$1.2	-\$2.5	-\$2.6

Example: Two similar insurance companies - one domestic, one foreign - with FIPT of \$15,000

	Taxes, Fees, etc. Without Tax Credit	
	OR Insurer	NOR Insurer
State of Oregon	\$1,125,000	\$1,125,000
State of Not Oregon	\$1,200,000	\$1,200,000
Oregon Retaliatory Tax	NA	\$75,000

	Taxes, Fees, etc. With Tax Credit	
	OR Insurer	NOR Insurer
State of Oregon	\$1,125,000 - \$15,000 = \$1,110,000	\$1,125,000 - \$15,000 = \$1,110,000
State of Not Oregon	\$1,200,000	\$1,200,000
Oregon Retaliatory Tax	NA	\$90,000

Tribal Enterprise Zones

ORS 285C.309	Year Enacted:	2001	Transferable:	No
	Length:	1-year	Means Tested:	No
	Refundable:	No	Carryforward:	None
	Kind of cap:	None	Inflation Adjusted:	No
TER 1.419				

Policy Purpose: Statute contains legislative findings in ORS 285C.303 that state, in part, that the purpose of this tax credit is “...to remove the tax disincentives that currently inhibit private business and industry from locating and operating enterprises within the boundaries of the rural Indian reservations of this state.”

Description and Revenue Impact: Taxpayers operating a new business facility in a reservation enterprise zone or a reservation partnership zone can claim a tax credit equal to the amount of tribal property tax paid. If the business has not previously operated within the zone, the tax credit is equal to tribal taxes paid during the tax year. The credit is nonrefundable and may not be carried forward. Also, the credit is only allowed for taxes that are imposed on a uniform basis within the tribal territory.

The number of claimants has varied over the years. In some years, the data represent too few taxpayers to disclose. On average, between 2005 and 2014, roughly 15 taxpayers claim about \$15,000 in tax credits each year and can reduce their Oregon tax liability by about half that amount.

GF impact of extension: A revenue loss of less than \$50,000 per year.

Biomass Production or Collection

ORS 315.141	Year Enacted:	2007	Transferable:	Yes
	Length:	1-year	Means Tested:	No
	Refundable:	No	Carryforward:	4-years
	Kind of cap:	None	Inflation Adjusted:	No
TER 1.443				

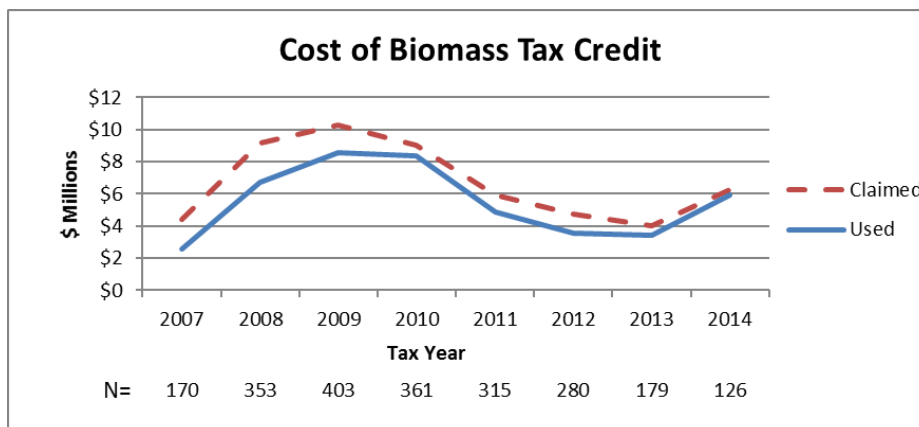
Policy Purpose: 2007 implementing legislation (HB 2110) indicates this tax credit is part of a policy "...to encourage greater development, distribution and use of agricultural and forest material for biofuels, for electricity and for other forms of biomass energy use." The metrics were identified for subsequent policy evaluations.

2015 testimony by the ODOE states, in part, that the purpose of the tax credit is "...to reduce Oregon's dependence on foreign oil, stimulate markets and reduce greenhouse gas emissions." Their testimony goes on to say that it "... encourages value-added utilization of material that would otherwise be disposed of through burning, landfilling, flushing down the drain, or other traditional management techniques."

Description and Revenue Impact: Taxpayers are allowed a tax credit for the production or collection of biomass. The material must be sourced within Oregon and used as a biofuel or used to produce biofuels in Oregon. The credit is transferable and may be claimed only once for each unit of biomass. The tax credit rate depends on the source material.

Material	Tax Credit Rate	2015 Volume	2015 Credit (\$M)
Oil seed	\$0.05 per pound	0	\$0
Grain crops	\$0.90 per bushel	0	\$0
Virgin oil	\$0.10 per gallon	0	\$0
Biosolids	\$10.00 per wet ton	0	\$0
Vegetative	\$10.00 per bond dry ton	3,053	\$0.03
Manure*	\$5.00 per wet ton	828,604	\$4.14
Used oil	\$0.10 per gallon	3,825,253	\$0.38
Wood	\$10.00 bone dry ton	55,714	\$0.57

* The tax credit rate is reduced to \$3.50 in 2016



	2017-19	2019-21	2021-23
GF Impact of Extension (\$M)	-\$1.4	-\$2.6	-\$7.3

