

HB 2066 A -A22 STAFF MEASURE SUMMARY

Joint Committee On Tax Credits

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Meeting Dates: 6/9, 6/16, 7/5

WHAT THE MEASURE DOES:

HB 2066 is the biennial tax credit bill. The measure extends and modifies existing credits and establishes new credits. Specifically, HB 2066 extends the affordable housing lenders credit and increases the cap, extends and modifies the rural health provider credit, extends the fish screening and reservation enterprise zone credits and creates a new employer training credit for certain counties. The measure also modifies the wage requirements for rural enterprise zones and the bio-mass manure credit. Finally, HB 2066 makes disallowance of credits against the corporate minimum tax permanent by removing a sunset.

ISSUES DISCUSSED:

- Role of tax credits in the current budget environment.
- Focus on housing and the need to increase the supply of low income housing.
- Role of residential energy credit and need to restructure expiring credit.
- Ways to support rural economic development.

EFFECT OF AMENDMENT:

-A22 Replaces bill

BACKGROUND:

The tax credit sunset/review process was established by the 2009 Legislature. Most existing credits have a six year sunset. Roughly 1/3 of the credits are reviewed during the long sessions. The process culminates in an omnibus tax credits extension/modification bill coming from the Joint Tax Credit Committee. HB 2066 is the omnibus tax credit bill for the 2017 session.