

HB 2141 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Kyle Easton, Economist

Meeting Dates: 2/4

WHAT THE MEASURE DOES:

Establishes procedures and requires uniform transfer of a tax credit. Authorizes Department of Revenue to prescribe additional procedural requirements for transfer of credits. Requires credit certifying agencies to provide information about credit certification to Department of Revenue. Authorizes director of certifying agency to suspend or revoke tax credit certification in certain circumstances. Allows Department of Revenue to collect unpaid taxes in case of suspension or revocation of transferable credit. Applicable to tax credits that are transferred on or after January 1, 2020.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon statute currently provides limited general guidance on the transferability of tax credits. The two statutes that exist are ORS 315.052 and ORS 315.053. Both of these were originally enacted in 2009. The former statute simply states that each income tax credit may be transferred only once, unless explicitly stated otherwise. The latter statute limits the transferability of six tax credits to a C-corporation, S-corporation, or personal income taxpayer.