

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
80th Oregon Legislative Assembly
2019 Regular Session
Legislative Revenue Office

Bill Number:	SB 114
Revenue Area:	Income Taxes
Economist:	Kyle Easton
Date:	2/18/2019

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

Extends sunset of agriculture workforce housing construction tax credit from 1/1/2020 to 1/1/2026.

Creates refundable income tax credit available to individuals and corporations for costs necessary to operate specified housing for agricultural workers. Establishes credit equal to 50 percent of eligible operation costs incurred during the tax year, subsequently reduced by any amount of federal or other governmental or private grants or similar funding received to compensate owner of property for payment of eligible costs. Specifies requirements of eligible housing. Requires written certification of eligible costs from the Housing and Community Services Department prior to credit being claimed. Allows and specifies transferability of credit. Establishes annual tax credit limit of \$___ million for any tax year.

Revenue Impact:

The estimated impact on general fund revenue resulting from a six-year extension of the sunset for the existing agriculture workforce housing construction credit is -4.1 million dollars per biennium.

This measure has a subsequent referral to the Joint Committee on Tax Expenditures. A more complete revenue impact statement will be developed in the joint committee, including estimate of the new tax credit for costs necessary to operate specified housing for agricultural workers.

Impact Explanation:

Measure contains two policies that impact general fund revenue, a six-year sunset extension of the existing tax credit for agriculture workforce housing construction, and the creation of a new tax credit for costs necessary to operate specified housing for agricultural workers. Ambiguous language regarding the existing law sunset of the agriculture workforce housing construction credit has been identified and is expected to be reviewed by a subsequent legislative committee.

Further Analysis Required

Creates, Extends, or Expands Tax Expenditure: Yes No