

House Bill 2784

Sponsored by Representative SMITH DB; Representatives OWENS, ZIKA (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes personal income tax credit for essential workers.
Applies to tax years beginning on or after January 1, 2020, and before January 1, 2021.
Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to a tax credit for essential workers; creating new provisions; amending ORS 316.502; and
3 prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2021 Act is added to and made a part of ORS chapter 315.**

6 **SECTION 2. (1) As used in this section, "essential worker" means an employee who:**

7 (a) **At an employer's direction, must or may work at the subject worker's regular or**
8 **temporarily assigned work site, other than the subject worker's residence, during a period**
9 **in which a declaration of a state of emergency issued by the Governor is in effect for a lo-**
10 **cation that includes the subject worker's work site; and**

11 (b) **Works in one of the following occupations:**

12 (A) **Public safety personnel, as defined in ORS 181A.355;**

13 (B) **Peace officer, as defined in ORS 133.005;**

14 (C) **Medical services provider, including emergency medical technician, nursing assistant,**
15 **employee of a hospital or medical clinic, pharmacy technician or employee of a home health**
16 **care or long term care facility;**

17 (D) **Employee of a retail store, including a grocery store;**

18 (E) **Employee of a food service establishment;**

19 (F) **Employee of a public, private or charter school;**

20 (G) **Employee of a child care facility, who cares for the dependent of another essential**
21 **worker;**

22 (H) **Agricultural worker, as defined in ORS 315.163; and**

23 (I) **Janitorial worker who provides services in locations, buildings or facilities that oper-**
24 **ate in compliance with the provisions of the March 8, 2020, declaration of emergency by the**
25 **Governor, and any extensions to the declaration of emergency.**

26 (2) **A taxpayer shall be allowed a credit against the taxes otherwise due under ORS**
27 **chapter 316 in the amount of \$2,000 if, during the tax year the taxpayer:**

28 (a) **Is employed as an essential worker; and**

29 (b) **Does not receive payments pursuant to ORS chapter 657.**

30 (3) **If the amount allowable as a credit under this section, when added to the sum of the**
31 **amounts allowable as payment of tax under ORS 316.187 (withholding), ORS 316.583 (esti-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 mated tax), other tax prepayment amounts and other refundable credit amounts, exceeds the
 2 taxes imposed by ORS chapters 314 and 316 for the tax year (reduced by any nonrefundable
 3 credits allowable for purposes of ORS chapter 316 for the tax year), the amount of the excess
 4 shall be refunded to the taxpayer as provided in ORS 316.502.

5 (4) A nonresident shall be allowed the credit under this section. The credit shall be
 6 computed in the same manner and be subject to the same limitations as the credit granted
 7 to a resident. However, the credit shall be prorated using the proportion provided in ORS
 8 316.117.

9 (5) If a change in the tax year of the taxpayer occurs as described in ORS 314.085, or if
 10 the Department of Revenue terminates the taxpayer's tax year under ORS 314.440, the credit
 11 allowed by this section shall be prorated or computed in a manner consistent with ORS
 12 314.085.

13 (6) If a change in the status of a taxpayer from resident to nonresident or from nonres-
 14 ident to resident occurs, the credit allowed by this section shall be determined in a manner
 15 consistent with ORS 316.117.

16 (7) Spouses in a marriage who file separate returns for a tax year may each claim a share
 17 of the tax credit that would have been allowed on a joint return in proportion to the adjusted
 18 gross income of each.

19 **SECTION 3.** ORS 316.502 is amended to read:

20 316.502. (1) The net revenue from the tax imposed by this chapter, after deducting refunds and
 21 amounts described in ORS 285B.630 and 285C.635, shall be paid over to the State Treasurer and held
 22 in the General Fund as miscellaneous receipts available generally to meet any expense or obligation
 23 of the State of Oregon lawfully incurred.

24 (2) A working balance of unreceipted revenue from the tax imposed by this chapter may be re-
 25 tained for the payment of refunds, but such working balance shall not at the close of any fiscal year
 26 exceed the sum of \$1 million.

27 (3) Moneys are continuously appropriated to the Department of Revenue to make:

28 (a) The refunds authorized under subsection (2) of this section; and

29 (b) The refund payments in excess of tax liability authorized under ORS 315.174, 315.262, 315.264
 30 and 315.266 and section 17, chapter 906, Oregon Laws 2007, and section 2 of this 2021 Act.

31 **SECTION 4.** Section 2 of this 2021 Act applies to tax years beginning on or after January
 32 1, 2020, and before January 1, 2021.

33 **SECTION 5.** This 2021 Act takes effect on the 91st day after the date on which the 2021
 34 regular session of the Eighty-first Legislative Assembly adjourns sine die.

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