

## **SB 1524 -1, -2 STAFF MEASURE SUMMARY**

### **Senate Committee On Finance and Revenue**

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**Prepared By:** Kyle Easton, Economist

**Meeting Dates:** 2/7

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#### **WHAT THE MEASURE DOES:**

Increases expense reimbursement percentage allowed to single film or single local media production project from Oregon Production Investment Fund (OPIF). Applies to fiscal years beginning on or after July 1, 2022. Expands availability of rural medical provider income tax credit to include certified medical laboratory scientists & technicians that are employed by hospital that is at least 50 miles from a major population center. Applies to tax years beginning on or after January 1, 2022. Disallows other state's tax credit from offsetting liability of Oregon's business alternative income tax. Authorizes Department of Revenue to require estimated payments for business alternative income tax. Applies to tax years beginning on or after January 1, 2022, and before January 1, 2024, and estimated payments due on and after June 15, 2022. Makes administrative technical changes to accommodate businesses filing corporate activity tax returns using a fiscal year that differs from the calendar year. Increases limit on Multistate Tax Compact revolving account, from \$150,000 to \$250,000. Modifies income qualification limitation of permissive property tax exemption available to newly constructed housing in rural counties and specifies applicability of new income qualifications.

#### **ISSUES DISCUSSED:**

##### **EFFECT OF AMENDMENT:**

-1 Extends sunset of Gain Share distributions from July 15, 2024 to July 15, 2030.

-2 Exempts from corporate activity tax, receipts made from the sale of prescription drugs to a long term care facility or sales of prescription drugs made by a community pharmacy. Specifies exemption applicability to tax years beginning on or after January 1, 2022 and before January 1, 2028. Defines terms.

##### **BACKGROUND:**

Measure is an omnibus measure that makes multiple modifications to various tax expenditures and tax programs. Tax expenditures being modified are: film and video income tax credit, rural medical provider income tax credit, and property tax exemption for new housing in rural counties. Other taxes being modified include Oregon's business alternative income tax and corporate activity tax. Measure increases limit on Multistate Tax Compact revolving account limit reflective of cost associated with Oregon's participation in the compact.