

SB 130 STAFF MEASURE SUMMARY

Joint Committee On Tax Expenditures

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Meeting Dates: 3/17

WHAT THE MEASURE DOES:

Extends sunset of tax credit available to taxpayers for installing a fish screening device, bypass device, or fishway from January 1, 2024 to January 1, 2030.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Taxpayers are allowed a tax credit for installing a fish screening device, bypass device, or fishway. Eligible devices are used on any diversion of water from rivers, lakes and streams that is not required to be licensed by the Federal Energy Regulatory Commission. These projects are primarily on agricultural land to keep fish from entering irrigation canals. The tax credit is 50 percent of the certified cost of installing the device, up to \$5,000 per device. A tax credit is not allowed if a device is part of a federally regulated hydroelectric project or if an installation is financed by the Water Development Fund. The Oregon Department of Fish and Wildlife must certify the device through a process that includes a preliminary certification prior to installation and a final certification upon completion. The credit is claimed in the year of final certification. The credit is nonrefundable but unused portions of the credit may be carried forward for up to five years. In the previous five years, the number of taxpayers claiming the credit has averaged fewer than ten per year and the amount of the credit used to reduce tax liability has averaged less than \$50,000 per year.