

HB 3004 A STAFF MEASURE SUMMARY

Joint Committee On Tax Expenditures

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 4/21

WHAT THE MEASURE DOES:

Creates nonrefundable income or corporate excise tax credit available to taxpayer that owns an eligible nonemitting solar or wind electricity generating facility, or provides energy storage. Defines terms. Requires eligible generation facility to be sited in Oregon and owned in whole by a person or persons that are not an electric utility or an electric utility holding company. Specifies credit amount equal to the amount paid during the tax year by taxpayer for transmission services. Calculates transmission services as the sum of the amounts paid by owner to Bonneville Power Administration or electric utility for up to 600 megawatts of eligible generation facility's nameplate capacity and to other parties. Limits credit allowable, in years one through five after generation facility is first placed in service, to the tax liability of the taxpayer. For years six through twenty, limits credit to 75 percent of taxpayer's tax liability. Specifies administrative and rule adoption requirements for Department of Energy and Department of Revenue. Applies to tax years beginning on or after January 1, 2025 and to eligible generation facilities first placed in service on or after January 1, 2025, and before January 1, 2031.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Energy planning efforts in Oregon focus first on conservation and increased efficiency to meet consumer demand, and then on increased generation from local renewable and traditional sources. The Oregon Department of Energy reports that hydro power has been the largest primary source of energy in the state since 2010. The amount of solar and wind power has been growing in the past decade.