

## Parameters of HB 3235A -A10, -A12

- Refundable personal income tax credit for taxpayers with qualifying child dependent(s)
- Credit phase-out using OR modified adjusted gross income (FAGI + additions – subtractions + losses > \$20K)
- Credit not subject to garnishment

Version	Credit Amt.	Child Age	Phase-Out (OR MAGI)	Notes	Eff. Date
-A10	\$1,000	< 6 yrs. at end of tax year (TY), max 5	All Filers: \$25K - \$30K No married filing separately	CPI adjustment for credit & initial phase-out amount, phase-out range constant 5,000	TYs 2023 - 2028
-A12	Credit parameters identical to -A10. <ul style="list-style-type: none"> <li>• Provides for quarterly payments to credit recipients for 50% of amount of credit               <ul style="list-style-type: none"> <li>◦ DOR required to establish quarterly payments by rule following statutory framework</li> </ul> </li> <li>• Requires DHS to seek federal waiver from offset of SNAP resulting from quarterly credit payments</li> <li>• Quarterly payments occur beginning in January of second year immediately following 30 days after receiving federal waiver</li> </ul>				

### Tax Credit Quarterly Payments: How -A12 differs from -A11

Page 2, lines 28-30

- Quarterly payments made to OR resident taxpayers only (PY/NR claim credit when filing tax return)

Page 4, line 1

- Added 'or otherwise available to' providing greater ability of DOR to leverage information when determining quarterly payments

Page 5, lines 12-13

- Quarterly payments made if payment amount is \$25 or more

Pages 5-6, Section 3a (New Section)

- Reconciliation of credit amount and quarterly payments when tax return is filed
- DOR to discontinue payments if taxpayer has moved out of OR, or is expected to no longer qualify for credit
- General applicability of ORS tax chapters

## Parameters of HB 3235A -A10, -A12

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Page 6, lines 20-21, 24-27

- Removes requirement that quarterly payments begin in January
- Adds additional year between waiver approval and DOR beginning quarterly payments
- Quarterly payments ongoing so long as waiver/conditions continue

Page 7, lines 2-13, 18

- Other triggers requiring quarterly payments to begin (when such payments will not cause offsets to federal public assistance programs)
- Wording correction, waiver requested by DHS is for quarterly payments