

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
82nd Oregon Legislative Assembly
2024 Regular Session
Legislative Revenue Office

Bill Number: HB 4010 - 7
Revenue Area: Personal Income Tax
Economist: Kyle Easton
Date: 2/19/2024

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

For purposes of qualifying for Oregon’s rural medical providers income tax credit, eliminates requirement that an optometrist have consulting privileges with an eligible rural hospital. Applies to tax years beginning on or after January 1, 2025.

Revenue Impact (in \$Millions):

	Biennium		
	2023-25	2025-27	2027-29
General Fund	\$0	-\$0.7	-\$0.7

Impact Explanation:

Certain medical providers are allowed a non-refundable tax credit equal to \$3,000, \$4,000 or \$5,000 against their personal income taxes. The value of the tax credit depends on a medical provider’s distance from a community with a population of 40,000 or more. Eligible providers include physicians, dentists, podiatrists, optometrists, physician assistants, nurse practitioners and certified registered nurse anesthetists.

To qualify for the rural medical providers tax credit, medical providers must meet specified requirements. One such requirement for an optometrist is having consulting privileges with an eligible rural hospital (this requirement does not apply to optometrists maintaining a primary practice in a defined “frontier county”). Elimination of consulting privileges requirement is expected to increase the number of optometrists claiming the tax credit by about 100 per year.

Estimate was made through an analysis of current credit use as compared to the total number of licensed optometrists in rural counties.

Creates, Extends, or Expands Tax Expenditure: Yes No

The policy purpose of this measure is to increase the number of optometrists qualifying for the rural medical providers income tax credit. The underlying policy purpose of the credit is to support the recruitment and retention of certain medical professionals in rural areas, thereby improving access in rural areas to such health care providers.