

House Bill 3334

Sponsored by Representative NERON

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes a new tax credit for teacher expenses. (Flesch Readability Score: 78.2).
Creates an income tax credit for the unreimbursed expenses of certain public school teachers and adjunct instructors.

Applies to tax years beginning on or after January 1, 2025, and before January 1, 2031.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to a tax credit for educator classroom expenses; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 315.**

5 **SECTION 2. (1) As used in this section:**

6 (a) **"Eligible educator" means an elementary or secondary school teacher at a public**
7 **school or an adjunct instructor who teaches at least six credit hours in the tax year at an**
8 **eligible institution.**

9 (b) **"Eligible expenses" means unreimbursed expenses of the types described in section**
10 **62(a)(2)(D) of the Internal Revenue Code that are incurred by an eligible educator.**

11 (c) **"Eligible institution" means a public university listed in ORS 352.002, the Oregon**
12 **Health and Science University, a community college operated under ORS chapter 341 or any**
13 **other public educational institution in this state that is authorized by law to provide a pro-**
14 **gram of education for kindergarten through grade 12.**

15 (2) **A credit against the taxes otherwise due under ORS chapter 316 shall be allowed for**
16 **eligible expenses incurred during the tax year. The amount of credit shall equal the lesser**
17 **of:**

18 (a) **The amount of eligible expenses; or**

19 (b) **\$250.**

20 (3) **The credit allowed under this section in one tax year may not exceed the tax liability**
21 **of the taxpayer.**

22 (4) **If a credit allowed under this section is claimed, the amount upon which the credit**
23 **is based that is allowed or allowable as a deduction from federal taxable income under section**
24 **62 of the Internal Revenue Code shall be added to federal taxable income in determining**
25 **Oregon taxable income.**

26 (5)(a) **A nonresident shall be allowed the credit under this section in the proportion pro-**
27 **vided in ORS 316.117.**

28 (b) **If a change in the status of a taxpayer from resident to nonresident or from nonres-**
29 **ident to resident occurs, the credit allowed under this section shall be determined in a**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 manner consistent with ORS 316.117.

2 (c) If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or
3 if the Department of Revenue terminates the taxpayer's taxable year under ORS 314.440, the
4 credit allowed under this section shall be prorated or computed in a manner consistent with
5 ORS 314.085.

6 (6) The Department of Education shall adopt rules that establish policies and procedures
7 for certifying taxpayers as eligible educators for purposes of the tax credit allowed under this
8 section.

9 SECTION 3. Section 2 of this 2025 Act applies to tax years beginning on or after January
10 1, 2025, and before January 1, 2031.

11 SECTION 4. This 2025 Act takes effect on the 91st day after the date on which the 2025
12 regular session of the Eighty-third Legislative Assembly adjourns sine die.

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