

PRELIMINARY

77TH OREGON LEGISLATIVE ASSEMBLY
2013 REGULAR SESSION
STAFF MEASURE SUMMARY
SENATE FINANCE AND REVENUE COMMITTEE

MEASURE: SB 318
CARRIER:

REVENUE:
FISCAL:

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Chris Allanach, Economist

Meeting Dates: 3/1

WHAT THE BILL DOES: Extends the sunset date for the retirement income tax credit from January 1, 2014 to January 1, 2020.

ISSUES DISCUSSED:

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EFFECT OF COMMITTEE AMENDMENTS:

BACKGROUND: This tax credit was created in 1991 and is 9% of net pension income for taxpayers who are age 62 or older. Net pension income is defined as all retirement income except for Social Security income and federal pension income not taxed by Oregon. To qualify for the tax credit, household income must be less than \$22,500 if single or \$45,000 if married. Social Security income must be less than \$7,500 if single or \$15,000 if married. Taxpayers may claim either this credit or the tax credit for the elderly or disabled, but not both. In tax year 2011, roughly 6,400 filers claimed a total of \$1.8 million in credits; roughly \$900,000 was used to reduce tax liability.

State Capitol Building
900 Court St NE, Room 143
Salem, OR 97301-1347

Phone: 503-986-1266
Fax: 503-986-1770
<http://www.leg.state.or.us>