

**HB 2978 STAFF MEASURE SUMMARY**

**House Committee On Revenue**

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**Prepared By:** Kyle Easton, Economist

**Meeting Dates:** 3/18

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**WHAT THE MEASURE DOES:**

Creates income tax credit for owners or lessees of short line railroads that complete a certified short line railroad rehabilitation project in Oregon. Credit equal to lesser of: \$3,500 multiplied by the number of miles of short line railroad track the taxpayer owns or leases in Oregon or fifty percent of the certified short line railroad rehabilitation project costs. Specifies transferability of tax credit and allows unused portion of credit to be carried forward up to five succeeding tax years. Provides for certification and administration of tax credits by Department of Revenue. Limits total amount of potential tax credits at time of preliminary certification to no more than \$\_\_\_ for any biennium. Defines terms. Applies to tax years 2020 through 2025.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

As of 2017, the Oregon Department of Transportation lists 17 short line railroads in Oregon.