

**FISCAL IMPACT OF PROPOSED LEGISLATION**

80th Oregon Legislative Assembly – 2019 Regular Session  
Legislative Fiscal Office

**Measure: HB 3028 - 2**

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

Prepared by: Michael Graham  
Reviewed by: John Borden  
Date: 4/1/2019

**Measure Description:**

Increases percentage of federal earned income credit allowable as credit against Oregon personal income tax.

**Government Unit(s) Affected:**

Department of Revenue (DOR)

**Analysis:**

This fiscal impact statement is submitted to transmit the measure from the House Committee on Human Services and Housing to the House Committee on Revenue.

The measure would increase the percentage of the federal earned income tax credit allowable as a credit against Oregon personal income tax liability. For an eligible resident individual, the percentage would increase from eight to 12 percent (8-12%). For an eligible resident individual with a dependent child, the percentage would increase from 11 to 15 percent (11-15%) or 11 to 18 percent (11-18%), depending on the age of the (youngest) child. The measure would permit an eligible resident individual to claim a credit using an individual taxpayer identification number in lieu of a social security number, if the individual were otherwise eligible for an earned income tax credit under federal law. The Department of Revenue would need to engage in rulemaking to establish procedures and guidelines for determining the amount of credit allowed. The measure would apply to tax years beginning on or after January 1, 2020, and before January 1, 2026. It would take effect 91 days after the Legislative Assembly adjourns *sine die*.

The measure is anticipated to have an impact on the Department of Revenue.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the House Committee on Revenue.

Further Analysis Required