

HB 2141 -2 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 2/4, 4/9

WHAT THE MEASURE DOES:

Establishes procedures and requires uniform transfer of a tax credit. Authorizes Department of Revenue to prescribe additional procedural requirements for transfer of credits. Requires credit certifying agencies to provide information about credit certification to Department of Revenue. Authorizes director of certifying agency to suspend or revoke tax credit certification in certain circumstances. Allows Department of Revenue to collect unpaid taxes in case of suspension or revocation of transferable credit. Makes series of conforming statutory changes. Applicable to tax credits that are transferred on or after January 1, 2020. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Introduced version of measure aligns with language in HB 2286 -4 (2017)
- Interest in committee hearing from agencies that certify tax credits regarding measure
- Background on multiple transferees
- Potential cost of changes, much of work already being done through different data sharing agreements between agencies and Department of Revenue, expected minimal impact for Department of Revenue, no agency testimony received.

EFFECT OF AMENDMENT:

-2 Replaces content of measure but maintains policy applicability and intent. Makes series of clarifying language adjustments to introduced version.

BACKGROUND:

Oregon statute currently provides limited general guidance on the transferability of tax credits. The two statutes that exist are ORS 315.052 and ORS 315.053. Both of these were originally enacted in 2009. The former statute simply states that each income tax credit may be transferred only once, unless explicitly stated otherwise. The latter statute limits the transferability of six tax credits to a C-corporation, S-corporation, or personal income taxpayer.