

## **HB 2450 STAFF MEASURE SUMMARY**

### **House Committee On Economic Recovery and Prosperity**

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**Sub-Referral To:** House Committee On Revenue

**Meeting Dates:** 3/4, 3/30

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#### **WHAT THE MEASURE DOES:**

Sunset tax credit for employee training programs in rural counties on January 1, 2028.

#### **ISSUES DISCUSSED:**

- Frequency of tax credit's use
- General awareness of tax credit's availability
- Limitations on availability of credit

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

The Employee Training in a Qualifying County tax credit was enacted as part of House Bill 2066 in 2017 with the purpose of increasing participation in qualified employee training programs. The tax credit is available to personal and corporate income taxpayers located in a qualifying county who establish and implement an employee training program in collaboration with a local community college. The credit is equal to twelve percent of the taxpayer's expenses to establish and implement the employee training program. The credit is non-refundable, but unused credit amounts can be carried forward for up to three years. Qualifying counties are those with a population between 60,000 and 80,000, located outside the Portland Metropolitan Area Regional Urban Growth Boundary, with an annual economic development budget of \$500,000 or greater, and having an unemployment rate at least 1.5 percent greater than the statewide unemployment rate.

House Bill 2450 sunsets the tax credit for employee training in a qualifying county on January 1, 2028.