

HB 3328 -2 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 3/30

WHAT THE MEASURE DOES:

Creates additional personal income tax equal to .0013 multiplied by taxpayer's taxable income. Adjusts tax rate annually for inflation. Directs proceeds of new income tax revenue to State Wildlife Fund with \$500,000 per biennium directed to Office of Outdoor Recreation. Additional tax applicable to tax years beginning on or after January 1, 2022. Creates credit against personal income taxes equal to purchase price of license, tag or permit issued pursuant to the wildlife laws. Specifies credit applicability to tax years beginning on or after January 1, 2022 and before January 1, 2028.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Requires \$1,000,000 per biennium of new income tax revenue to be transferred to the Oregon Conservation and Recreation Fund.

BACKGROUND:

House bill 2402 (2015) created the Joint Interim Task Force on Funding for Fish, Wildlife, and Related Outdoor Recreation and Education. The interim Task Force's final report included recommendations on alternative funding sources for the Oregon Department of Fish and Wildlife. One potential funding mechanism recommended by the Task Force was an income tax return surcharge. Current funding sources for The Oregon Department of Fish and Wildlife come from four major sources: General Funds, Lottery Funds, Other Funds and Federal Funds. Half of the Department's funding comes from anglers and hunters, either through license sales or federal excise taxes collected on fishing and hunting equipment.

Measure creates an additional personal income tax applicable to all taxpayers with a positive taxable income. Tax rate is initially set at .0013 with subsequent inflationary adjustments to the tax rate. Revenues from new income tax are directed to support the State Wildlife Fund and Office of Outdoor Recreation. Measure also creates a new personal income tax credit that potentially offsets individual costs of hunting, fishing and other wildlife licenses, tags and permit fees.