

# House Bill 2718

Sponsored by Representative ZIKA (Presession filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Creates tax credit for workers at child care facilities rated three stars or higher with quality rating and improvement system.

Applies to tax years beginning on or after January 1, 2022, and before January 1, 2028.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to a tax credit for child care workers; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2021 Act is added to and made a part of ORS chapter 315.**

5 **SECTION 2. (1) As used in this section:**

6 (a) **“Certified child care facility” means a child care facility that has been certified, in-**  
7 **cluding a temporary certification, by the Office of Child Care under ORS 329A.280.**

8 (b) **“Child care facility” has the meaning given that term in ORS 329A.250.**

9 (2) **A credit against taxes that are otherwise due under ORS chapter 316 shall be allowed**  
10 **to a taxpayer who is employed at a certified child care facility in the position of director,**  
11 **head teacher, teacher or provider for at least six months during the tax year if, on the last**  
12 **day of the tax year in which the credit is claimed, the certified child care facility has a three**  
13 **star or higher rating with the tiered quality rating and improvement system implemented**  
14 **under ORS 329A.261.**

15 (3) **The credit allowed under this section shall be in the amount of \$1,500.**

16 (4) **The credit must be claimed on a form prescribed by the Department of Revenue that**  
17 **contains the information required by the department.**

18 (5) **If a change in the taxable year of the taxpayer occurs as described in ORS 314.085,**  
19 **or if the department terminates the taxpayer's taxable year under ORS 314.440, the credit**  
20 **allowed by this section shall be prorated or computed in a manner consistent with ORS**  
21 **314.085.**

22 (6) **A nonresident shall be allowed the credit under this section. The credit shall be**  
23 **computed in the same manner and be subject to the same limitations as the credit granted**  
24 **to a resident. However, the credit shall be prorated using the proportion provided in ORS**  
25 **316.117.**

26 (7) **If a change in the status of a taxpayer from resident to nonresident or from nonres-**  
27 **ident to resident occurs, the credit allowed by this section shall be determined in a manner**  
28 **consistent with ORS 316.117.**

29 **SECTION 3. Section 2 of this 2021 Act applies to tax years beginning on or after January**  
30 **1, 2022, and before January 1, 2028.**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1        **SECTION 4.** This 2021 Act takes effect on the 91st day after the date on which the 2021  
2 regular session of the Eighty-first Legislative Assembly adjourns sine die.  
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