REVENUE IMPACT OF PROPOSED LEGISLATION

82nd Oregon Legislative Assembly
2023 Regular Session
Legislative Revenue Office

Bill Number:	**SB 132**
Revenue Area:	**Income Taxes**
Economist:	**Kyle Easton**
Date:	**2/28/2023**

Only Impacts on Original or Engrossed
Versions are Considered Official

Measure Description:

Extends sunset of agriculture workforce housing construction tax credit from 1/1/2026 to 1/1/2030.

Revenue Impact (in $Millions):

	Biennium		
	2023-25	2025-27	2027-29
General Fund	$0.0	-$0.8	-$4.2

Impact Explanation:

Taxpayers are allowed a credit for the construction, rehabilitation, or acquisition of agriculture workforce housing in Oregon. The credit is fifty percent of the eligible costs of a qualified housing project. The credit can be taken over ten years, with a maximum allowable credit claimed in any one tax year limited to 20% of the total credit amount. Unused credit amounts may be carried forward for up to nine years. The credit can also be transferred. The credit sunset is applicable to housing projects completed in tax years beginning on or after January 1, 2026 whereas previously completed and qualified projects may continue to claim the credit. Because the current law sunset date occurs during the 2025-27 biennium and the credit is claimed over multiple years, the revenue loss estimate reflects increased loss in future biennia.

Estimate is based on a historical analysis of credit use and the potential construction, rehabilitation, or acquisition of agriculture workforce housing in Oregon.

Creates, Extends, or Expands Tax Expenditure: Yes ☒ No ☐

The policy purpose of this credit is to provide support for the construction or rehabilitation of agriculture workforce housing, thereby supporting the goal of ensuring adequate agricultural labor housing through a collaboration of the public, private, and nonprofit sectors.

Further Analysis Required