

**SB 1084 STAFF MEASURE SUMMARY**

**Senate Committee On Finance and Revenue**

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**Prepared By:** Chris Allanach, Legislative Revenue Officer

**Sub-Referral To:** Joint Committee On Tax Expenditures

**Meeting Dates:** 4/5

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**WHAT THE MEASURE DOES:**

Reinstates and modifies Oregon's old Qualified Research Activities tax credits. Increases the tax credit percentage to 15 percent and makes it 80 percent refundable for companies with fewer than 150 employees. Sets the maximum tax credit at \$15 million and makes it transferable. Establishes a program cap of \$200 million in tax credits per biennium. Applies to tax years 2024 through 2029. Extends the following other programs to 2035: Enterprise Zones, Long-Term Rural Enterprise Zones, Gain Share, and Industrial Site Readiness. Takes effect on the 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

This bill represents a kind of economic development omnibus bill. From 1989 through 2017 Oregon had two corporation income tax credits for Qualified Research Activities based on the federal research activities tax credit. This bill would reinstate those credits, with modifications. The Enterprise Zone and Long-Term Rural Enterprise Zone programs provide property tax abatements to qualifying companies. Industrial Site Readiness and Gain Share are programs that provide income tax reimbursements to qualifying local governments.