

SB 467 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Sub-Referral To: Joint Committee On Tax Expenditures

Meeting Dates: 2/19

WHAT THE MEASURE DOES:

Creates refundable income tax credit available to a taxpayer who is an operator or an employee of a child care facility meeting stipulated certification, registration, or regulation requirements. Specifies credit is equal to lesser of \$2,000 or 5% of income earned by the taxpayer as an operator or employee of a qualifying child care facility. Allows taxpayer to contribute to an Oregon Retirement Savings Plan account, all or a portion of their tax refund attributable to the credit. Requires Department of Revenue (DOR) to provide means by which taxpayer receiving credit may establish an Oregon retirement savings plan account. Requires DOR to adopt rules administering the credit. Applies to tax years 2026 through 2031. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

OregonSaves, the Oregon Retirement Savings Program was established to allow eligible individuals to contribute to an OregonSaves account established under the program. Certain employers not already offering a workplace retirement savings option are required by state law to provide their employees access to OregonSaves. OregonSaves accounts are by default structured as Roth IRAs.

Currently, taxpayers can direct their Oregon state income tax refund (or portion thereof) to a U.S. based checking or savings account, charitable institution(s) qualifying for the charitable checkoff program, political parties, and/or Oregon 529 education savings plans. Changes proposed in measure would allow qualifying taxpayers receiving the newly established credit to direct their tax refund, up to the value of the credit, into an OregonSaves retirement plan account.