

SB 21 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Sub-Referral To: Joint Committee On Tax Expenditures

Meeting Dates: 3/26

WHAT THE MEASURE DOES:

Creates a non-refundable income tax credit available to personal and corporate taxpayers that employ a foster child or a former foster child. Specifies amount of the credit as equal to the lesser of \$2,400 or 40 percent of the current or former foster child's wages paid during the first tax year of employment by the taxpayer. Allows unused credits to be carried forward up to three consecutive tax years. Requires the Oregon Employment Department to certify eligible employees. Applies to tax years beginning on or after January 1, 2026, and before January 1, 2032. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

As used in the measure, "foster child" is defined as a minor child under the custody or guardianship of the Department of Human Services (DHS), a minor child placed in a certified foster home, a person under twenty-one who has been placed in an approved home that is receiving payment from DHS, or a child residing in a certified developmental disability child foster home. "Former foster child" means an individual who for a total of six or more months while between 14 and 21 years of age, was a ward of the court, in the legal custody of the Department of Human Services for out-of-home placement and not dismissed from care before reaching 16 years of age, or an Indian child under the jurisdiction of a tribal court for out-of-home placement and not dismissed from care before reaching 16 years of age.