

HB 3380 STAFF MEASURE SUMMARY

House Committee On Revenue

Action Date: 05/22/25

Action: Do pass. Refer to Tax Expenditures.

Vote: 6-0-1-0

Yeas: 6 - Hudson, Levy B, Marsh, Nathanson, Smith G, Walters

Exc: 1 - Reschke

Fiscal: Has minimal fiscal impact

Revenue: Revenue impact issued

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Meeting Dates: 5/6, 5/22

WHAT THE MEASURE DOES:

Increases the personal income tax credit allowed to rural volunteer emergency medical services providers from \$250 per tax year to \$1,000. The credit value increase applies to tax years beginning on or after January 1, 2026. Extends tax credit certification sunset by two years, from January 1, 2028, to January 1, 2030. Requires the Office of Rural Health to annually submit a report detailing the number of taxpayers eligible for the tax credit to the interim committees of the Legislative Assembly related to health care and to the Oregon Emergency Medical Services Program.

ISSUES DISCUSSED:

- Overview of credit
- "Volunteer" for purposes of credit qualification
- Suite of policy packages relating to volunteer rural EMS and differing time horizons of such policies
- Direct expenditure to support rural EMS compared to use of a tax credit
- Examples of services provided by volunteer EMS
- Geographic size (remoteness) of rural areas.

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon allows a personal income tax credit equal to \$250 for individuals licensed as emergency medical services (EMS) providers. To qualify for the credit, the licensed EMS provider must be certified by the Office of Rural Health as an individual who provided volunteer emergency medical services in a rural area. The volunteer rural services must comprise at least 20 percent of the total emergency medical services provided by the individual in the tax year. For purposes of the credit, rural area is defined as a geographic area that is located at least 25 miles from any city with a population of 30,000 or more. The credit is nonrefundable meaning tax liability cannot be reduced below zero. Use of the credit has been declining over the previous ten years. In 2022, about 200 taxpayers claimed in total about \$50,000 worth of tax credits.