

A-Engrossed
House Bill 2271

Ordered by the House June 18
Including House Amendments dated June 18

Sponsored by Representative WRIGHT (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would give a credit off their UI taxes to employers whose rate for 2025 is less than their rate for the prior year by at least two and a half percentage points. (Flesch Readability Score: 62.8).

[Digest: The Act would give a credit against UI taxes to employers whose rate for 2025 is less than their rate for the prior year by at least three percentage points. (Flesch Readability Score: 60.7).]

Provides a credit against an employer's unemployment insurance taxes for calendar year 2025 [years 2025, 2026 and 2027] if the employer's tax rate for calendar year 2025 is at least [three] 2.5 percentage points less than the employer's tax rate for calendar year 2024.

A BILL FOR AN ACT

1
2 Relating to employer taxes.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 657.**

5 **SECTION 2. (1)(a) Any employer whose tax rate for calendar year 2025 is at least two and**
6 **one-half percentage points less than the employer's tax rate for calendar year 2024 shall re-**
7 **ceive a nonrefundable credit against the taxes due from the employer in accordance with this**
8 **section.**

9 **(b) This section applies only to an employer that had a tax rate determined in accordance**
10 **with ORS 657.430 for calendar year 2020 and did not have a tax rate determined in accordance**
11 **with ORS 657.480 for any calendar year that began on or after January 1, 2021.**

12 **(2)(a) The tax credit allowed under this section shall equal the lesser of:**

13 **(A) The amount of the taxes due from the employer for calendar year 2025; or**

14 **(B) \$5,000.**

15 **(b) Notwithstanding paragraph (a) of this subsection, no tax credit shall be allowed if the**
16 **amount of the tax credit would be less than \$100.**

17 **(3) An employer is not eligible for the credit against taxes under this section unless the**
18 **employer:**

19 **(a) Files all wage reports due under ORS 657.571 for calendar years 2024 and 2025 in a**
20 **timely manner;**

21 **(b) Pays all tax liabilities imposed under this chapter for calendar years 2024 and 2025 in**
22 **a timely manner; and**

23 **(c) As of January 1, 2025:**

24 **(A) Has paid all outstanding unemployment insurance taxes and related liabilities; or**

25 **(B) Has paid all outstanding amounts due according to the terms of a payment plan ac-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **cepted by the Director of the Employment Department for repayment of all outstanding**
2 **amounts described in subparagraph (A) of this paragraph.**

3 **SECTION 3. Section 2 of this 2025 Act is repealed on January 2, 2027.**

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