

House Bill 2907

Sponsored by Representative EVANS (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 **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes a new tax credit for food banks and community gardens. (Flesch Readability Score: 76.5).

Creates an income tax credit for investment in community gardens and food banks. Applies to tax years beginning on or after January 1, 2025.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to tax incentives for investment in community food resources; and prescribing an effective
3 date.

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

5 **SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 315.**

6 **SECTION 2. (1) A credit against taxes that are otherwise due under ORS chapter 316**
7 **shall be allowed to a taxpayer who invests more than \$20,000 in one or more community food**
8 **resources in a tax year. The credit allowed is calculated by subtracting \$20,000 from the**
9 **amount invested and multiplying the result by 30 percent.**

10 **(2) Beginning January 1, 2027, the Department of Revenue shall annually adjust the ex-**
11 **clusion amount in subsection (1) of this section according to the cost-of-living adjustment for**
12 **the calendar year. The department shall make this adjustment by multiplying \$20,000 by the**
13 **percentage, if any, by which the monthly averaged U.S. City Average Consumer Price Index**
14 **for the 12 consecutive months ending August 31 of the prior calendar year exceeds the**
15 **monthly averaged U.S. City Average Consumer Price Index for the 12 consecutive months**
16 **ending August 31, 2024.**

17 **(3) As used in this section:**

18 **(a) "Community food resource" means a community garden or a food bank or other**
19 **charitable organization.**

20 **(b) "Community garden" means a parcel of public or private land located in this state**
21 **that is available to the general public for the noncommercial production of vegetables, fruits,**
22 **herbs, flowers, nuts, poultry or honey.**

23 **(c) "Food bank or other charitable organization" has the meaning given that term in ORS**
24 **315.154.**

25 **(4) For each tax year for which a credit is claimed under this section, the taxpayer shall**
26 **maintain records sufficient to prove the taxpayer's eligibility for the credit allowed under**
27 **this section. A taxpayer shall maintain the records required under this subsection for at**
28 **least three years.**

29 **(5) The amount of the credit available under this section may not exceed the tax liability**

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 of the taxpayer under ORS chapter 316 for the tax year.

2 (6) A nonresident taxpayer shall be allowed the credit under this section. The credit shall
3 be computed in the same manner and be subject to the same limitations as the credit
4 granted to a resident taxpayer. However, the credit shall be prorated using the proportion
5 provided in ORS 316.117.

6 (7) If a change in the taxable year of the taxpayer occurs as described in ORS 314.085,
7 or if the Department of Revenue terminates the taxpayer's taxable year under ORS 314.440,
8 the credit allowed by this section shall be prorated or computed in a manner consistent with
9 ORS 314.085.

10 (8) If a change in the status of a taxpayer from resident to nonresident or from nonres-
11 ident to resident occurs, the credit allowed by this section shall be determined in a manner
12 consistent with ORS 316.117.

13 **SECTION 3.** Section 2 of this 2025 Act applies to tax years beginning on or after January
14 1, 2025.

15 **SECTION 4.** This 2025 Act takes effect on the 91st day after the date on which the 2025
16 regular session of the Eighty-third Legislative Assembly adjourns sine die.
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