

HB 3049-1
(LC 354)
6/6/25 (CMT/ps)

Requested by HOUSE COMMITTEE ON REVENUE (at the request of Representative Nancy Nathanson)

**PROPOSED AMENDMENTS TO
HOUSE BILL 3049**

On page 1 of the printed bill, delete line 3 and insert “285C.506; and prescribing an effective date.”.

Delete lines 5 through 27 and delete pages 2 through 6 and insert:

“SECTION 1. ORS 285C.506 is amended to read:

“285C.506. (1) Following completion of the construction, reconstruction, modification, acquisition, installation or lease of the facility, the hiring of employees to conduct business operations at the facility and the commencement of operations at the facility, a business firm that obtained preliminary certification under ORS 285C.503 may apply for annual certification under this section.

“(2) The application shall be filed with the Oregon Business Development Department on or before 30 days after the end of the income or corporate excise tax year of the business firm.

“(3) The application shall contain the following information, **and shall refer to the immediately preceding tax year for items required under paragraph (c) to (g) of this subsection:**

“(a) A description of the business operations conducted at the facility;

“(b) The date business operations commenced at the facility;

“(c) [*The number of full-time, year-round*] **In aggregate, the annualized number of full-time employees employed and the annualized number of part-time employees employed by the business firm at the facility and**

1 **the annualized number of independent contractors engaged in work**
2 **at the facility;**

3 **“(d) A schedule of the annual compensation paid to the employees[;**
4 **and], reported as required in subsection (4) of this section;**

5 ***“(e) Any other information required by the department.”]***

6 **“(e) The percentage of employees that are provided health insurance**
7 **coverage, paid time off and employer contribution to retirement plans,**
8 **reported based on whether employees worked on average 30 hours or**
9 **more or fewer than 30 hours during the tax year;**

10 **“(f) All grants or other benefits received by the business firm from**
11 **the state or from a political subdivision of the state, described indi-**
12 **vidually and reporting the amount of each grant or other benefit;**

13 **“(g) All incentives or tax relief and the amount of incentive or re-**
14 **duction in tax liability from each item; and**

15 **“(h) Any other information required by the Oregon Business De-**
16 **velopment Department.**

17 **“(4) Employee compensation paid at the facility must be reported**
18 **by the employer by assigning all wages to the percentiles of wages paid**
19 **to all wage earners in the state during the most recent year for which**
20 **data published by the Employment Department is available. These**
21 **percentiles shall be provided to employers by the Oregon Business**
22 **Development Department and shall be the following:**

23 **“(a) 10th.**

24 **“(b) 11th to 25th.**

25 **“(c) 26th to 50th.**

26 **“(d) 51st to 75th.**

27 **“(e) 76th to 90th.**

28 **“(f) 91st.**

29 ***“(4) (5) An application filed under this section must be accompanied by***
30 ***a fee in an amount prescribed by the department by rule. The fee required***

1 by the department may not exceed \$100.

2 “[5] (6) The department shall review a business firm’s application and
3 approve the application if:

4 “(a) The business operations of the firm at the facility commenced at least
5 24 months before the date of application for annual certification but within
6 10 years before the end of the tax year preceding the date of application for
7 annual certification; and

8 “(b) The business firm has satisfied the employment and minimum com-
9 pensation requirements described in ORS 285C.503 (5)(c) and (d).

10 “[6] (7) In the case of the first application for annual certification filed
11 by a business firm under this section, the department may approve the ap-
12 plication only if, in addition to the requirements of subsection [(5)] (6) of this
13 section:

14 “(a) Business operations commenced at the facility within a reasonable
15 period of time, as determined by the department by rule, following the date
16 of preliminary certification under ORS 285C.503;

17 “(b) There has not been a significant interruption in construction, recon-
18 struction, modification or installation activity at the location, as determined
19 by the department by rule, following the date of preliminary certification
20 under ORS 285C.503; and

21 “(c) The facility and the business operations actually conducted at the
22 facility are reasonably similar to the proposed facility and proposed oper-
23 ations described in the application for preliminary certification.

24 “[7] (8) After the first application for annual certification, the depart-
25 ment may approve a subsequent application or certification filed under this
26 section only if:

27 “(a) The business firm meets the requirements of subsection [(5)] (6) of
28 this section; and

29 “(b) The facility and the business operations actually conducted at the
30 facility retain similar characteristics to the facility and the business oper-

1 ations actually conducted at the facility during the period of prior certi-
2 fication. This paragraph does not preclude an applicant from changing the
3 location of the facility, the ownership or organization of the business firm
4 or other aspects of the facility or business firm that are within the intent
5 of ORS 285C.500 to 285C.506 if the change is made in accordance with rules
6 adopted by the department.

7 “[8)] (9) The department may consult with the city or county in deter-
8 mining whether to approve or disapprove an application under this section.

9 “[9)] (10) If the department approves an application, it shall issue an
10 annual certification to the business firm.

11 “[10)] (11) If the department disapproves an application, the business firm
12 or any owner of the business firm may not be allowed the exemption de-
13 scribed in ORS 316.778 or 317.391 for the tax year for which the annual cer-
14 tification was sought or for any subsequent tax year.

15 “[11)] (12) The decision of the department to disapprove an application
16 under this section may be appealed in the manner of a contested case under
17 ORS chapter 183.

18 “[12)] (13) An annual certification may not be issued under this section
19 for a tax year that is more than nine consecutive tax years following the
20 first tax year an exemption is allowed under ORS 316.778 or 317.391 with
21 respect to the facility.

22 “[13)] (14) The department must approve or disapprove an application
23 under this section within 30 days of the date the application is filed.

24 **“SECTION 2. The amendments to ORS 285C.506 by section 1 of this**
25 **2025 Act apply to annual certifications required on or after January**
26 **1, 2026.**

27 **“SECTION 3. This 2025 Act takes effect on the 91st day after the**
28 **date on which the 2025 regular session of the Eighty-third Legislative**
29 **Assembly adjourns sine die.”.**