

STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

**Fiscal:** Has minimal fiscal impact

**Revenue:** Revenue impact issued

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**Action Date:** 02/25/16

**Action:** Do Pass With Amendments. (Printed B-Eng.)

**Meeting Dates:** 02/24, 02/25

**Vote:**

Yeas: 5 - Baertschiger Jr, Boquist, Edwards, Hass, Riley

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**WHAT THE MEASURE DOES:**

Increases the Oregon Earned Income Tax Credit from 8% of the federal credit to 11% for taxpayers with a dependent under the age of three. Applies to tax years 2017 through 2019. Clarifies the meaning of the term 'conveyance' so that the partial transfer of property for state highway, county road or city street purposes is exempt from the requirements of ORS 311.411. Modifies the statutory duties of the Director and Deputy Director of the Department of Revenue by including "financial administration". Grants a two-month extension to an energy conservation project in Harney county that was affected by recent events.

**ISSUES DISCUSSED:**

- The value and impact of the Earned Income Tax Credit
- Needed statutory changes for the recruitment of the next Director of the Department of Revenue
- The impact of the occupation at the Malheur Wildlife Refuge Center on an energy conservation project

**EFFECT OF COMMITTEE AMENDMENT:**

Modifies the duties of the Director and Deputy Director of the Department of Revenue by including "financial administration". Grants a two-month extension to an energy conservation project in Harney county that was affected by the occupation at the Malheur Wildlife Refuge Center

**BACKGROUND:**

The Oregon earned income tax credit was created in 1997 at a rate of 5% of the federal credit. It was initially nonrefundable. In 2006 it became refundable. The percentage was increased to 6% in 2008 and to 8% in 2013. It is scheduled to sunset on 1/1/2020.