

# **Descriptive Information for Oregon Income Tax Provisions Expiring in 2017-19**

**Oregon Department of Revenue, Research Section**

**February 2017**

This paper provides additional descriptive information relating to income tax expenditures scheduled to completely sunset in the 2017-19 biennium. The purpose is to supplement information about these provisions beyond the information typically included in the biennial Tax Expenditure Report. Where possible, breakdowns by income, age, geographic location, and frequency are provided for each expiring provision. Note that several provisions have such a small number of claimants that it is not possible to report additional detail due to confidentiality restrictions.

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### **1.308 Film Production Labor Rebate** (ORS 316.698, 317.394)

Sunset: December 31, 2017

Labor rebate payments are excluded from taxation for individuals or corporations that incur \$1 million or more in actual expenses for film, commercial or television show production in Oregon. For S-corporations and other pass-through entities that have qualifying income for the subtraction, the subtraction is shared by the shareholders and subtracted from their Oregon personal income tax. The Oregon Film and Video Office (OFVO) certifies persons or businesses engaging in qualifying film production as eligible for the labor rebate, commonly known as the Greenlight Oregon Labor Rebate, if it is reasonably likely that the person or business will incur actual expenses of at least \$1 million. Upon completion of the film production, OFVO verifies actual expenses and disallows the rebate if actual expenses are less than \$1 million. The labor rebate is equal to 6.2 percent of the payroll, for which Oregon personal income tax withholding applies, paid during qualifying film production. The amounts withheld are paid to the Department of Revenue and then transferred to the Greenlight Oregon Labor Rebate Fund.

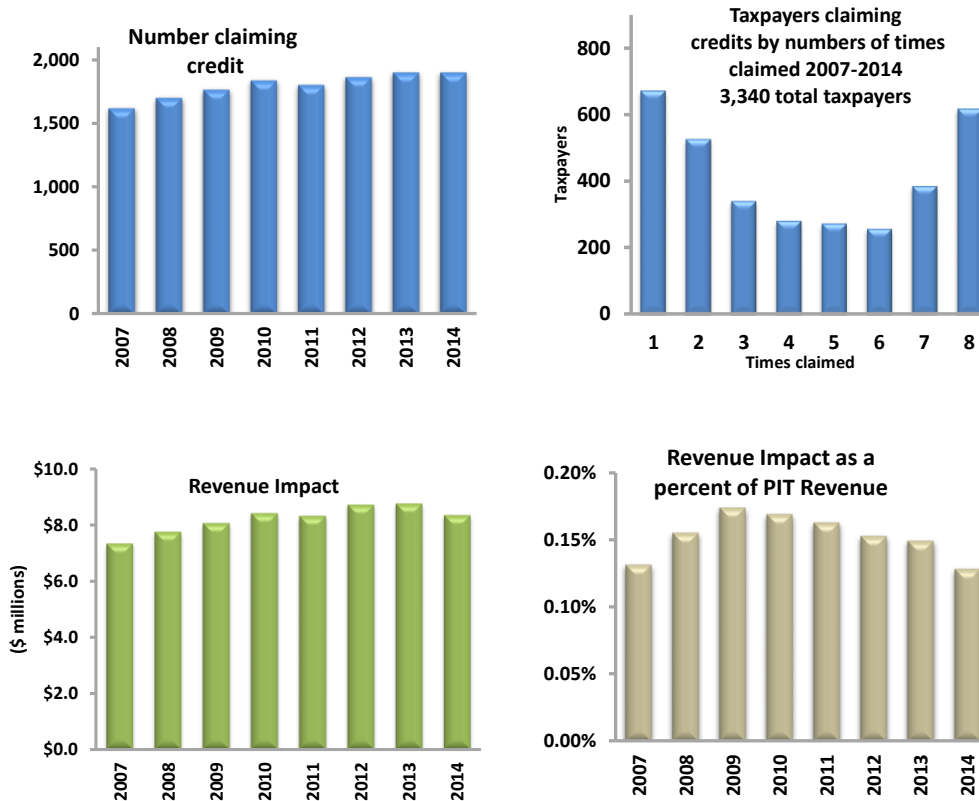
**Credit Data:** Due to disclosure laws, the small number of taxpayers that claim this credit, and the low dollar amount claimed, detailed credit data cannot be provided.

## 1.405 Rural Medical Practice (ORS 315.613, 315.616, 315.619)

Sunset: December 31, 2017

An annual, nonrefundable credit of up to \$5,000 against personal income taxes is allowed to certain rural medical providers. The amount of the credit ranges from \$3,000 to \$5,000 and is based on the distance from a major population center in a metropolitan statistical area (MSA) at which the taxpayer maintains a practice or hospital membership. The credit is available to physicians, physician assistants, nurse practitioners, certified registered nurse anesthetists, podiatrists, dentists, and optometrists. The provider must be engaged for at least 20 hours per week, averaged over the month, and providers must be willing to serve a certain proportion of patients with Medicare coverage and patients receiving medical assistance. Physicians on staff of a hospital in an MSA are not eligible, with the exception of Florence in Lane County and Dallas in Polk County.

### Credit History – Personal Income Tax



### Credit used by Income Category

Rural Medical Practice Credit - by Income - 2014 Personal Income Tax Filers

| Income Group of Full-Year Filers*       | Number of Filers Taking Credit | Percent of filers in income group taking credit | Average Revenue Impact of Credit | Revenue Impact (\$ millions) | Percent of Revenue Impact by Income Group |
|---|--------------------------------|---|----------------------------------|------------------------------|---|
| Below \$13,300                          | <10                            | <0.01%  | \$50                             | <\$0.1                       | <1%                                       |
| \$13,300 - \$27,600                     | <10                            | <0.01%  | \$190                            | <\$0.1                       | <1%                                       |
| \$27,600 - \$49,300                     | 30                             | 0.01%   | \$1,500                          | <\$0.1                       | <1%                                       |
| \$49,300 - \$87,500                     | 100                            | 0.03%   | \$3,560                          | \$0.4                        | 5%  |
| Above \$87,500                          | 1,530                          | 0.46%   | \$4,850                          | \$7.4                        | 95%                                       |
| <b>All Full-Year Filers</b>             | <b>1,670</b>                   | <b>0.10%</b>                                    | <b>\$4,670</b>                   | <b>\$7.8</b>                 | <b>100%</b>                               |
| <b>Part-Year and Nonresident Filers</b> | <b>220</b>                     |   | <b>\$2,400</b>                   | <b>\$0.5</b>                 |   |

\*Each income group contains 20 percent of the full-year filers (approximately 336,000)

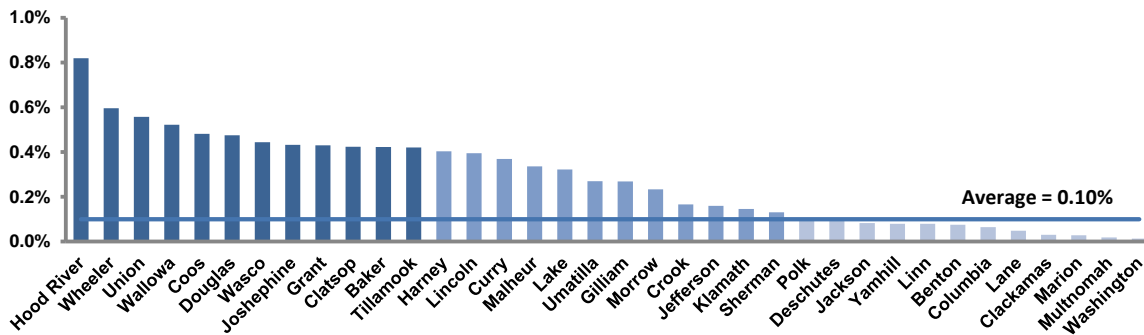
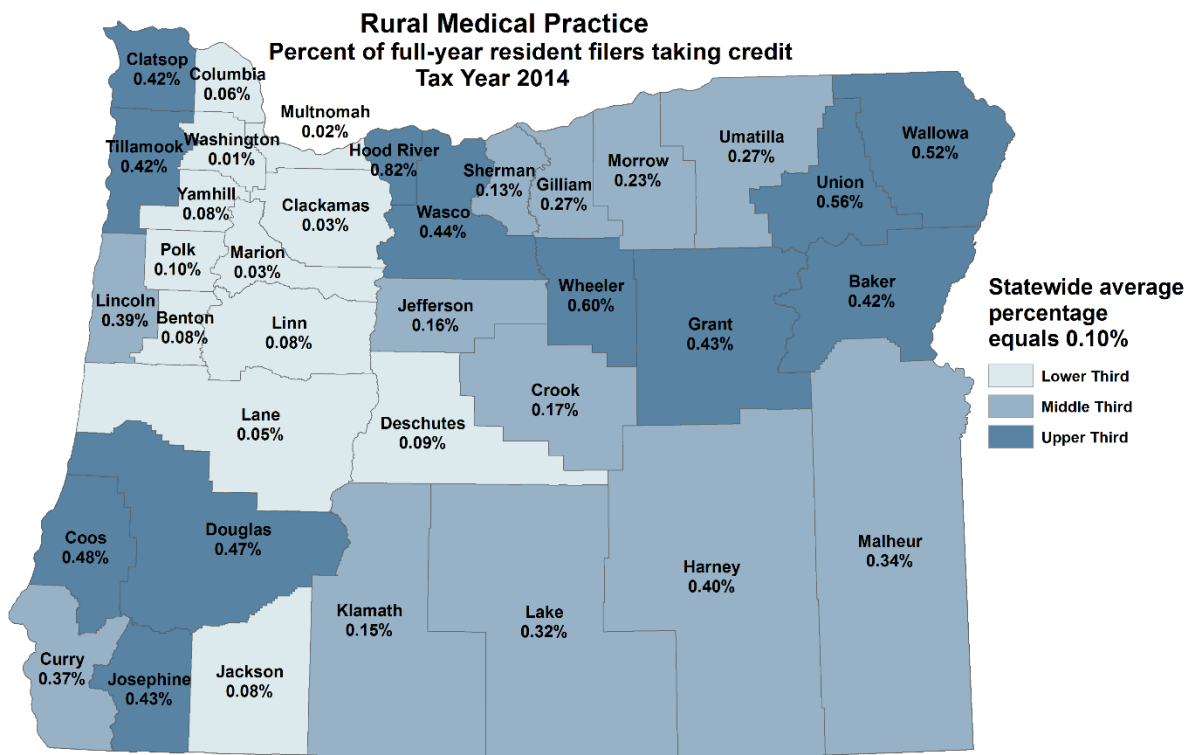
## Credit used by Age of Primary Filer

Rural Medical Practice Credit - by Age - 2014 Personal Income Tax Filers

| Age Group of Full-Year Filers* | Number of Filers Taking Credit | Percent of filers in age group taking credit | Average Revenue Impact of Credit | Revenue Impact (\$ millions) | Percent of Revenue Impact by Age Group |
|--------------------------------|--------------------------------|--|----------------------------------|------------------------------|--|
| Below 28                       | <10                            | <0.01%                                       | \$4,790                          | <\$0.1                       | <1%                                    |
| 28 - 38                        | 300                            | 0.09%  | \$4,570                          | \$1.4                        | 17%                                    |
| 39 - 51                        | 500                            | 0.15%  | \$4,950                          | \$2.5                        | 31%                                    |
| 52 - 63                        | 610                            | 0.18%  | \$4,640                          | \$2.9                        | 36%                                    |
| Above 63                       | 250                            | 0.08%  | \$4,340                          | \$1.1                        | 14%                                    |
| <b>All Full-Year Filers</b>    | <b>1,670</b>                   | <b>0.10%</b>                                 | <b>\$4,670</b>                   | <b>\$7.8</b>                 | <b>100%</b>                            |

\*Each income group contains 20 percent of the full-year filers (approximately 336,000)

## Geographical Distribution of Credit



### **1.413 Livestock Killed by Wolves** (ORS 315.174(2))

Sunset: December 31, 2018

A credit is allowed against personal or corporation income taxes for the current market value of any livestock that belongs to the taxpayer and that is killed by a wolf during the tax year. In order to qualify for the credit, the taxpayer must obtain written certification from the Oregon Department of Fish and Wildlife (ODFW). ODFW may not issue certifications for more than \$37,500 in tax credits for any tax year. For personal income tax purposes the credit is refundable; any portion of the credit that exceeds the tax liability will be paid to the personal income taxpayer. For corporation tax purposes, any credit unused because of insufficient tax liability may be carried forward for up to three years. The taxpayer cannot claim a tax credit for livestock killed after June 30, 2018 or in any tax year that ends after the date on which the Oregon Fish and Wildlife Commission has removed the wolf from the state list of endangered species. In November of 2015, the Oregon Fish and Wildlife Commission voted to remove wolves from the state endangered species list, so currently, no one should be claiming a new credit after tax year 2014.

**Credit Data:** Due to disclosure laws, the small number of taxpayers that claim this credit, and the low dollar amount claimed, detailed credit data cannot be provided.

## 1.416 Qualified Research Activities (ORS 317.152)

Sunset: December 31, 2017

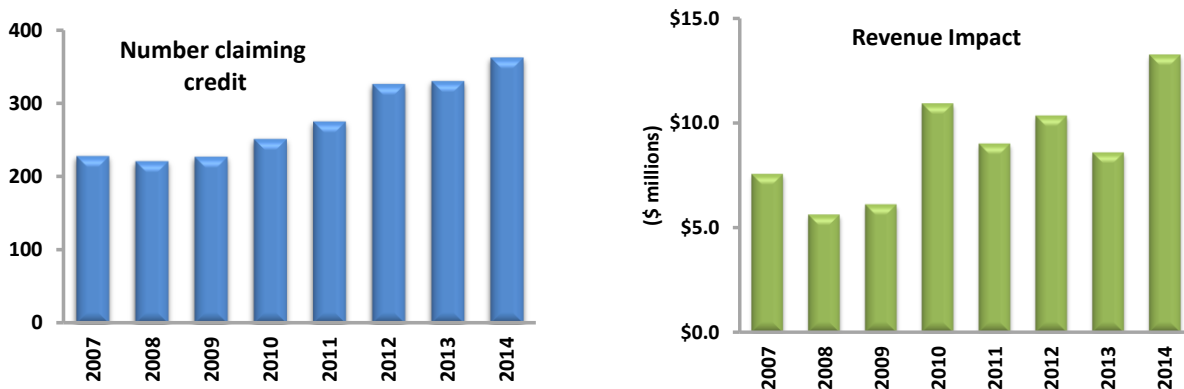
If qualified research expenses in Oregon exceed a base amount, then Oregon corporations may take a tax credit equal to 5 percent of the excess amount. For S corporations that claim the credit, the credit is shared by the S corporation shareholders and claimed against their Oregon personal income tax. Computation of the base and excess amounts, as well as definitions of basic research and qualified research expenses, follow from the equivalent federal research and development (R&D) credit (IRC §41) except that only research conducted in Oregon is considered. The base amount is a fixed percentage multiplied by the average annual gross receipts of the taxpayer for the four taxable years preceding the taxable year for which the credit is being determined (the credit year). The minimum base amount is 50 percent of the qualified research expenses for the credit year. The credit is limited to \$1 million per taxpayer. Credits that cannot be used because of insufficient tax liability in the current year can be carried forward up to five years.

### Credit data also includes 1.417 Qualified Research Activities (Alternative)

#### Credit History – Personal Income Tax

Detailed data is not available for tax years 2014 and earlier. Preliminary tax year 2015 Personal Income Tax data indicates about 250 taxpayers claimed the Qualified Research Activities credit (and Alternative) with a total revenue impact of approximately \$2.4 million.

#### Credit History – Corporate Income Tax



#### Industry Sector – Corporate Income Tax

Qualified Research Activities Credit - by Industry Sector - 2014 Corporate Income Tax Filers

| Industry Sector                                  | Number of Filers Taking Credit | Average Revenue Impact of Credit | Revenue Impact (\$ millions) | Percent of Revenue Impact by Sector |
|--|--------------------------------|----------------------------------|------------------------------|-------------------------------------|
| Manufacturing                                    | 130                            | \$63,900                         | \$8.0                        | 61%                                 |
| Information                                      | 70                             | \$38,600                         | \$2.5                        | 19%                                 |
| Management of Companies and Enterprises          | 20                             | \$69,700                         | \$1.5                        | 11%                                 |
| Professional, Scientific, and Technical Services | 80                             | \$6,100                          | \$0.5                        | 4%                                  |
| Wholesale Trade                                  | 30                             | \$14,100                         | \$0.5                        | 4%                                  |
| Construction                                     | 10                             | \$11,700                         | \$0.1                        | <1%                                 |
| All Other and Unknown                            | 30                             | \$6,200                          | \$0.2                        | 1%                                  |
| <b>Total</b>                                     | <b>360</b>                     | <b>\$36,600</b>                  | <b>\$13.2</b>                | <b>100%</b>                         |

### **1.417 Qualified Research Activities (Alternative)** (ORS 317.154)

Sunset: December 31, 2017

A tax credit for corporations is allowed for qualified research expenses in Oregon that exceed 10 percent of Oregon sales. The credit is equal to 5 percent of the excess amount. For S-corporations that claim the credit, the credit is shared by the S-corporation shareholders and claimed against their Oregon personal income tax. The credit is limited to the lesser of \$1 million, or \$10,000 multiplied by the number of percentage points that the qualified research expenses exceed 10 percent of Oregon sales. The expenses that qualify for the credit are the same as those that qualify under the standard Qualified Research Activities tax credit, except that basic research is not included. Credits that cannot be used because of insufficient tax liability in the current year can be carried forward up to five years. Taxpayers have the option of claiming this credit or the standard Qualified Research Activities tax credit.

**Credit Data** – included in 1.416 Qualified Research Activities.



**1.418 Long Term Rural Enterprise Zone (Income Tax)** (ORS 317.124)      Sunset: June 30, 2018

Corporations that make certain large investments in a rural enterprise zone facility are eligible for a tax credit, if approved by the Governor. For S-corporations that claim the credit, the credit is shared by the S-corporation shareholders and claimed against their Oregon personal income tax. The investment must be locally approved for the related property tax expenditure, 2.014 Long Term Rural Enterprise Zone (Property Tax), on or before June 30, 2018. To be eligible for the property tax exemption, the investment must be located in a county with chronic unemployment or low income. Depending on the location in the state, the investment also must exceed a certain minimum amount ranging up to \$25 million, the firm must hire at least 10 to 75 full-time employees within three to five years, and the average annual worker compensation must be at least 50 percent above the county average wage. The tax credit is equal to 62.5 percent of the taxpayer's gross payroll costs at the facility. The credit applies only against liabilities in excess of a threshold amount of up to \$1 million. The amount of the threshold may be lower, depending on the facility's location and workforce size. The credit may be claimed over a period of five to 15 years, as determined by the Governor and elected by the taxpayer, starting with the tax year that begins no later than in the third calendar year after the facility is placed in service. Each year's unused credits can be carried forward for up to five years.

**Credit Data:** Due to disclosure laws, and the small number of taxpayers that claim this credit, no credit data can be provided.

## **1.419 Reservation Enterprise Zone (ORS 285C.309)**

Sunset: December 31, 2017

Qualified taxpayers operating a new business facility in a reservation enterprise or partnership zone may claim an income tax credit for the amount of tribal property tax paid. Non-tribal businesses that would otherwise qualify, may claim this income tax credit for paying such a tax imposed by the reservation on a uniform basis. C corporations claim this credit against their corporate income tax, and S corporation and partnership shareholders and sole proprietors claim this credit against their personal income tax. The credit must be used in the same year that taxes are paid and may not be carried forward to another year. The amount of tax credit used in a given tax year cannot exceed the tax liability for that tax year.

### **Credit History – Personal and Corporate Income Tax**

For tax years 2007-2014, an average of about 15 taxpayers have claimed the credit per year with a total revenue impact per year of less than \$50,000.

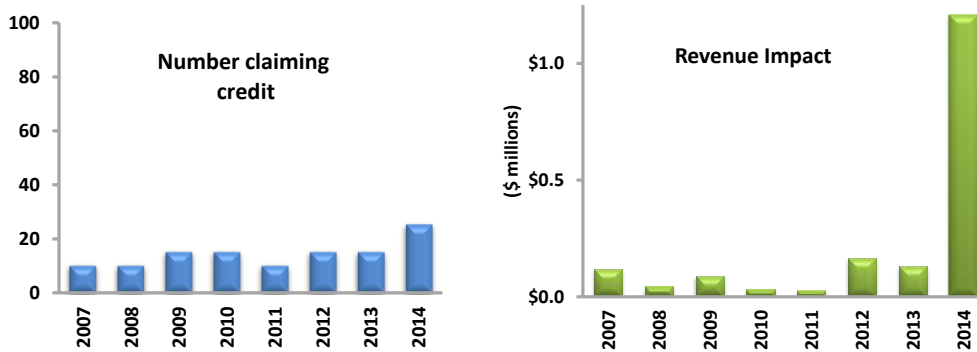
**Demographic Data:** Due to disclosure laws, the small number of taxpayers that claim this credit, and the low dollar amount claimed, demographic detail cannot be provided.

## 1.420 Electronic Commerce Enterprise Zone (Income Tax) (ORS 315.507)

Sunset: December 31, 2017

Qualified business firms may claim an investment tax credit based on capital assets used in electronic commerce (e-commerce) operations under certain circumstances. Such a firm must be engaged or preparing to engage in e-commerce within an enterprise zone specially designated for e-commerce or in the one electronic commerce city (which is the City of North Plains). To claim the credit, taxpayer must also be locally authorized and qualify for the enterprise zone exemption from property taxes. C corporations claim this credit against their corporate income tax; S corporation and partnership shareholders and sole proprietors claim it against their personal income tax. The credit equals 25 percent of the investments made by the firm during the tax year in e-commerce operations within the designated area. The maximum credit allowed for a taxpayer is the lesser of \$2 million or the tax liability of the taxpayer per year. A firm may carry unused credits forward for up to five years.

### Credit History – Personal Income Tax



### Credit History – Corporate Income Tax

For tax years 2007-2013, a total of about 20 corporate taxpayers have claimed the credit with a total average revenue impact per year of about \$100,000. For tax year 2014 there were about 10 taxpayers that claimed the credit for a total revenue impact of about \$250,000.

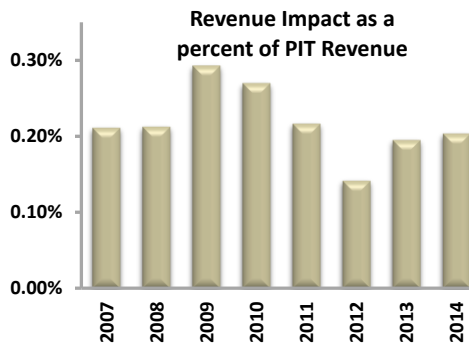
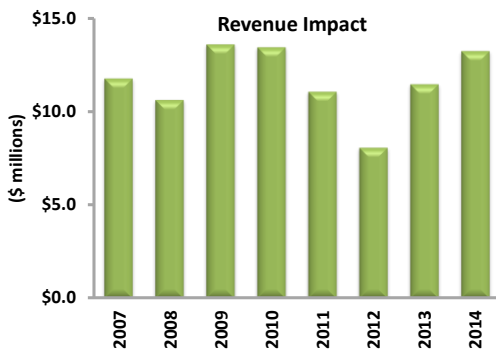
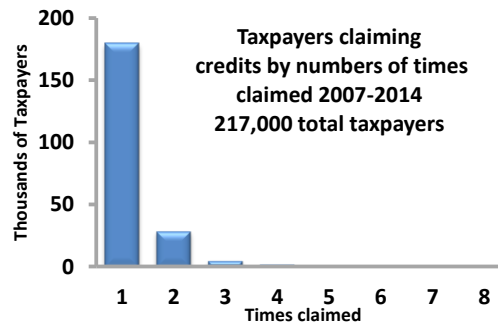
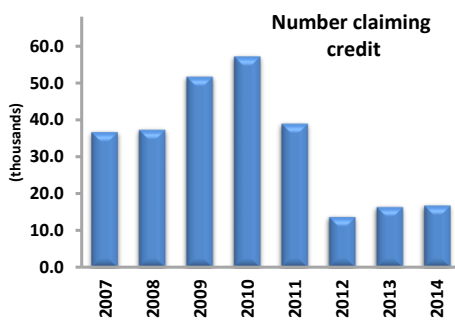
**Demographic Data:** Due to disclosure laws, the small number of taxpayers that claim this credit, and the low dollar amount claimed, demographic detail cannot be provided.

## 1.435 Alternate Energy Devices (Residential) (ORS 316.116)

Sunset: December 31, 2017

A credit against personal income tax is allowed to taxpayers who install qualifying alternative energy devices in their residences; commonly referred to as the Residential Energy Tax Credit (RETC). The credit is certified by the Oregon Department of Energy (ODOE). For most types of qualifying devices, tax credits are issued for the lesser of 50 percent of the cost of the device or \$1,500. For several types of qualifying devices, tax credits can be issued up to \$6,000. In this case, the tax credit is claimed over multiple years, with no more than \$1,500 being claimed per year per device. Any credit unused in a particular year because of insufficient tax liability may be used in later years, for up to five years. If a taxpayer has no Oregon tax liability, the taxpayer may transfer the tax credit to an individual with an Oregon tax liability, who will make a lump sum payment equal the present value of the certified tax credit (as determined by ODOE) to the taxpayer.

### Credit History – Personal Income Tax



### Credit used by Income Category

Alternative Energy Devices (Residential) Credit - by Income - 2014 Personal Income Tax Filers

| Income Group of Full-Year Filers*       | Number of Filers Taking Credit | Percent of filers in income group taking credit | Average Revenue Impact of Credit | Revenue Impact (\$ millions) | Percent of Revenue Impact by Income Group |
|---|--------------------------------|---|----------------------------------|------------------------------|---|
| Below \$13,300                          | 590                            | 0.2%  | \$30                             | <\$0.1                       | <1%                                       |
| \$13,300 - \$27,600                     | 980                            | 0.3%  | \$270                            | \$0.3                        | 2%  |
| \$27,600 - \$49,300                     | 2,110                          | 0.6%  | \$590                            | \$1.2                        | 9%  |
| \$49,300 - \$87,500                     | 4,470                          | 1.3%  | \$810                            | \$3.6                        | 28%                                       |
| Above \$87,500                          | 8,280                          | 2.5%  | \$960                            | \$7.9                        | 61%                                       |
| <b>All Full-Year Filers</b>             | <b>16,430</b>                  | <b>1.0%</b>                                     | <b>\$800</b>                     | <b>\$13.1</b>                | <b>100%</b>                               |
| <b>Part-Year and Nonresident Filers</b> | <b>350</b>                     |   | <b>\$500</b>                     | <b>\$0.2</b>                 |   |

\*Each income group contains 20 percent of the full-year filers (approximately 336,000)

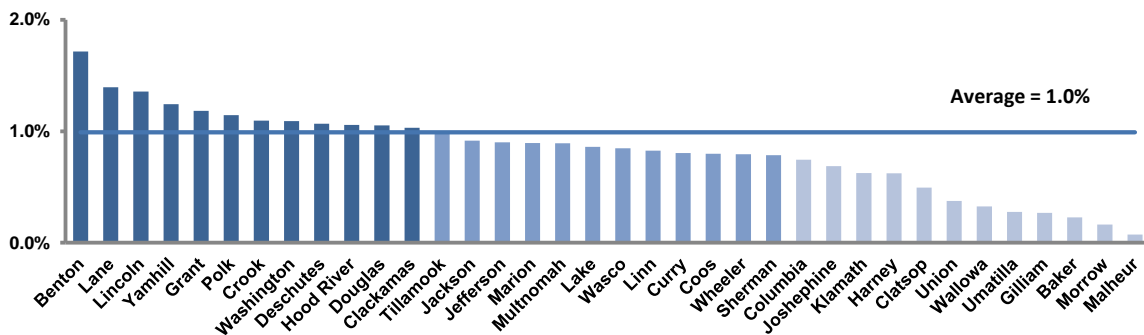
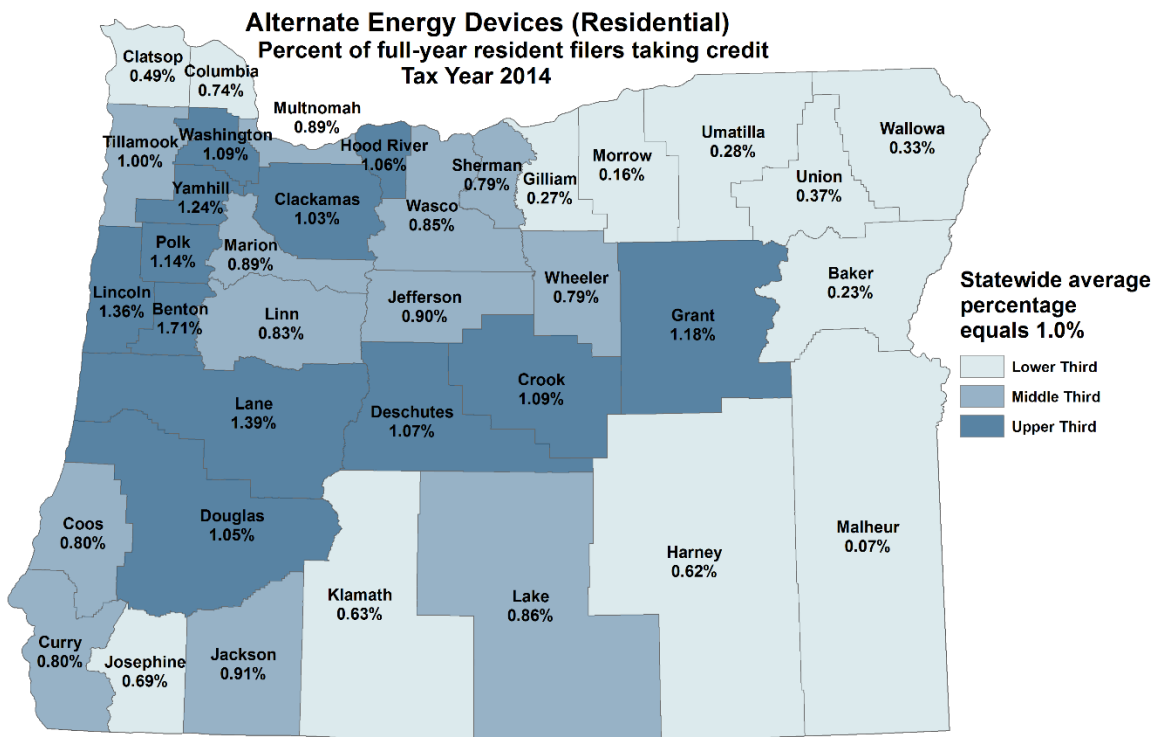
## Credit used by Age of Primary Filer

Alternative Energy Devices (Residential) Credit - by Age - 2014 Personal Income Tax Filers

| Age Group of Full-Year Filers* | Number of Filers Taking Credit | Percent of filers in age group taking credit | Average Revenue Impact of Credit | Revenue Impact (\$ millions) | Percent of Revenue Impact by Age Group |
|--------------------------------|--------------------------------|--|----------------------------------|------------------------------|--|
| Below 28                       | 280                            | <0.1%  | \$460                            | <\$0.1                       | 1%                                     |
| 28 - 38                        | 2,260                          | 0.7%   | \$790                            | \$1.8                        | 14%                                    |
| 39 - 51                        | 3,480                          | 1.0%   | \$870                            | \$3.0                        | 23%                                    |
| 52 - 63                        | 5,020                          | 1.5%   | \$850                            | \$4.3                        | 33%                                    |
| Above 63                       | 5,390                          | 1.6%   | \$720                            | \$3.9                        | 30%                                    |
| <b>All Full-Year Filers</b>    | <b>16,430</b>                  | <b>1.0%</b>                                  | <b>\$800</b>                     | <b>\$13.1</b>                | <b>100%</b>                            |

\*Each income group contains 20 percent of the full-year filers (approximately 336,000)

## Geographical Distribution of Credit



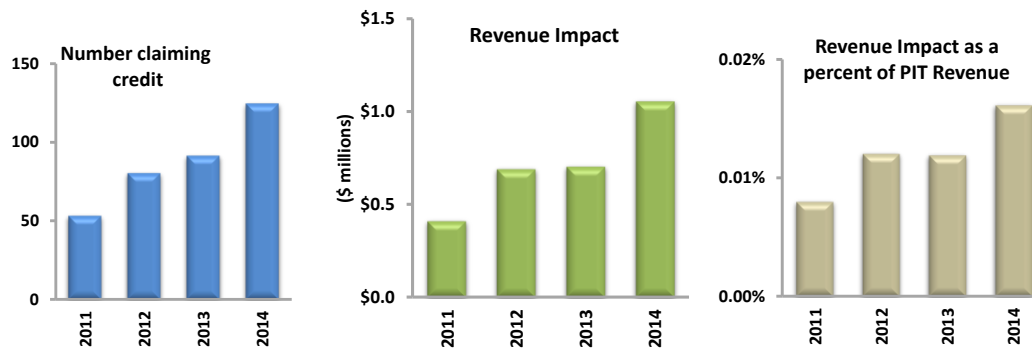
# 1.438 Renewable Energy Development Contributions

Sunset: December 31, 2017

(ORS 315.326(1))

A credit is allowed against corporation or personal income taxes for taxpayers who purchase tax credits from an auction conducted by the Department of Revenue (DOR), in cooperation with the Oregon Department of Energy (ODOE). The proceeds of the auction go to a fund from which ODOE issues grants to fund renewable energy development in Oregon. DOR administers the auction process and determines minimum bid before conducting the auction, which cannot be below 95 percent of the value of the credit. A maximum of \$1.5 million in credits may be issued in one fiscal year. The tax credit is not transferable and any tax credit not used in a particular year because of insufficient tax liability may be carried forward for up to three years.

## Credit History – Personal Income Tax



## Credit used by Income Category

Renewable Energy Development Contribution Credit - by Income - 2014 Personal Income Tax Filers

| Income Group of Full-Year Filers* | Number of Filers Taking Credit | Percent of filers in income group taking credit | Average Revenue Impact of Credit | Revenue Impact (\$ millions) | Percent of Revenue Impact by Income Group |
|-----------------------------------|--------------------------------|---|----------------------------------|------------------------------|---|
| Below \$13,300                    | <10                            | <0.01%  | \$30                             | <\$0.1                       | <1%                                       |
| \$13,300 - \$27,600               | 10                             | <0.01%  | \$90                             | <\$0.1                       | <1%                                       |
| \$27,600 - \$49,300               | 10                             | <0.01%  | \$350                            | <\$0.1                       | <1%                                       |
| \$49,300 - \$87,500               | 20                             | <0.01%  | \$540                            | <\$0.1                       | 1%  |
| Above \$87,500                    | 80                             | 0.02%   | \$13,510                         | \$1.0                        | 99%                                       |
| <b>All Full-Year Filers</b>       | <b>120</b>                     | <b>0.01%</b>                                    | <b>\$8,560</b>                   | <b>\$1.0</b>                 | <b>100%</b>                               |
| Part-Year and Nonresident Filers  | <10                            |   | \$6,370                          | <\$0.1                       |   |

\*Each income group contains 20 percent of the full-year filers (approximately 336,000)

## Credit used by Age of Primary Filer

Renewable Energy Development Contribution Credit - by Age - 2014 Personal Income Tax Filers

| Age Group of Full-Year Filers* | Number of Filers Taking Credit | Percent of filers in age group taking credit | Average Revenue Impact of Credit | Revenue Impact (\$ millions) | Percent of Revenue Impact by Age Group |
|--------------------------------|--------------------------------|--|----------------------------------|------------------------------|--|
| Below 28                       | 10                             | <0.01%                                       | \$140                            | \$0.0                        | <1%                                    |
| 28 - 38                        | 30                             | 0.01%  | \$3,990                          | \$0.1                        | 10%                                    |
| 39 - 51                        | 30                             | 0.01%  | \$18,320                         | \$0.5                        | 54%                                    |
| 52 - 63                        | 30                             | 0.01%  | \$7,870                          | \$0.2                        | 24%                                    |
| Above 63                       | 20                             | 0.01%  | \$5,510                          | \$0.1                        | 13%                                    |
| <b>All Full-Year Filers</b>    | <b>120</b>                     | <b>0.01%</b>                                 | <b>\$8,560</b>                   | <b>\$1.0</b>                 | <b>100%</b>                            |

\*Each income group contains 20 percent of the full-year filers (approximately 336,000)

**Demographic Data:** Due to disclosure laws and the small number of taxpayers that claim this credit, demographic detail cannot be provided.

**1.439 Energy Conservation Projects** (ORS 315.331(1))

Sunset: December 31, 2017

A credit is allowed against corporation or personal income taxes for energy conservation projects in Oregon. To qualify for an Energy Conservation Project tax credit, a taxpayer must have the project certified by the Oregon Department of Energy (ODOE). Qualifying energy conservation projects are eligible for a credit that is equal to an amount up to 35 percent of project cost. The credit is taken over five years in increments related to project cost: 10 percent in the first and second year and 5 percent each year thereafter. Taxpayers with certified costs of \$20,000 or less may take the tax credit in one year. Any credit unused in a particular year because of insufficient tax liability may be carried forward for up to five years. The total amount of potential tax credits for the program is limited to \$28 million per biennium.

**Credit Data** – Detailed data for the Energy Conservation tax credit not available.

#### **1.440 Transportation Projects** (ORS 315.336(1))

Sunset: December 31, 2017

A credit is allowed against corporation or personal income taxes for transportation projects in Oregon. Entities that develop alternative fuel vehicle infrastructure projects, such as electric vehicle charging and compressed natural gas systems or acquire an alternative fuel vehicle fleet are eligible for this credit. Prior to the end of the 2015 tax year, public or nonprofit entities that provided transit services to members of the public and received state or federal funding for those services were also eligible for a Transportation tax credit. To qualify for a Transportation Project credit tax credit, a taxpayer must have the project certified by the Oregon Department of Energy (ODOE). Alternative fuel vehicle projects are eligible for a credit equal to 35 percent of the certified cost. Any credit unused in a particular year because of insufficient tax liability may be carried forward for up to five years.

**Credit Data** – Detailed data for the Transportation Projects tax credit not available.

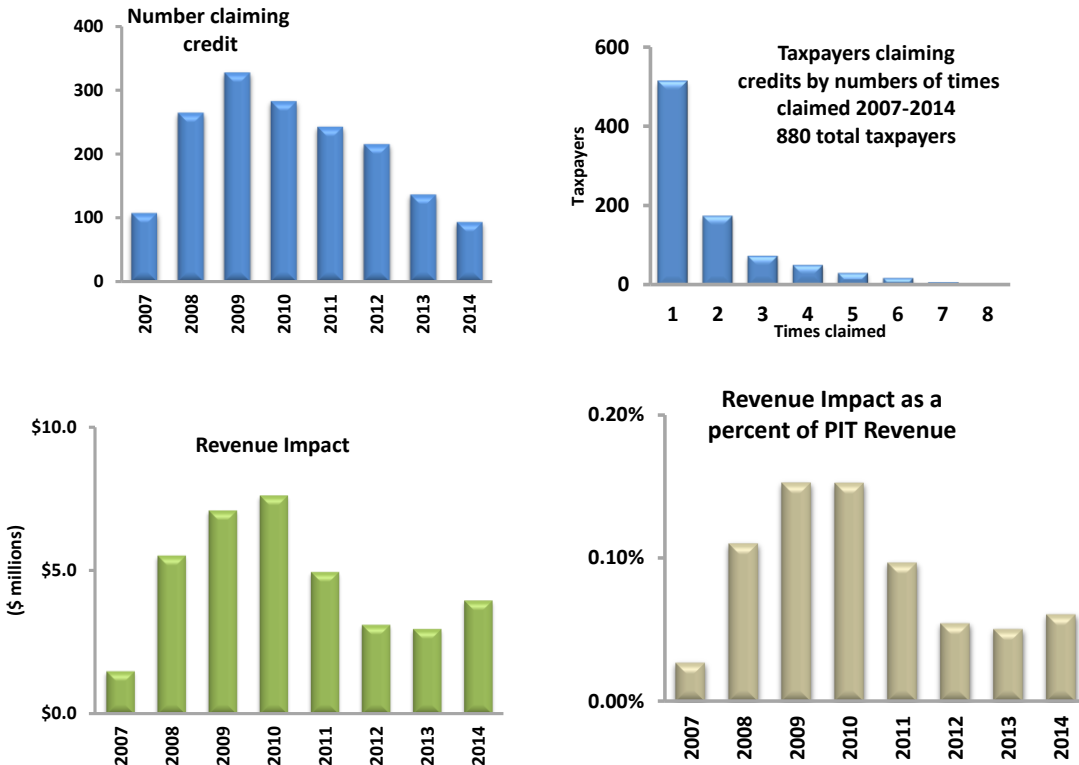


### 1.443 Production or Collection of Biomass (ORS 315.141)

Sunset: December 31, 2017

A credit is allowed against corporation or personal income taxes to producers and collectors of biomass material. The biomass material must be sourced within Oregon and must be used as biofuel or to produce biofuels in Oregon. Types of biomass include: woody (forest based) biomass, agriculture crops, manure, used oil and waste grease. To qualify for the credit, taxpayers must be certified by the Oregon Department of Energy. The credit is computed as a product of the quantity of biomass produced and the applicable credit rate. The credit rates vary by the type of biomass. A biomass tax credit can be claimed only one time for each unit of biomass. The credit can be carried forward for four years and may not exceed the tax liability of the corporation or individual claiming the credit. The biomass manure portion of this tax credit does not expire until December 31, 2021.

#### Credit History – Personal Income Tax



#### Credit used by Income Category

Production or Collection of Biomass Credit - by Income - 2014 Personal Income Tax Filers

| Income Group of Full-Year Filers*       | Number of Filers Taking Credit | Percent of filers in income group taking credit | Average Revenue Impact of Credit | Revenue Impact (\$ millions) | Percent of Revenue Impact by Income Group |
|---|--------------------------------|---|----------------------------------|------------------------------|---|
| Below \$13,300                          | <10                            | <0.01%  | \$0                              | \$0.0                        | 0%  |
| \$13,300 - \$27,600                     | <10                            | <0.01%  | \$120                            | <\$0.1                       | <1%                                       |
| \$27,600 - \$49,300                     | <10                            | <0.01%  | \$240                            | <\$0.1                       | <1%                                       |
| \$49,300 - \$87,500                     | <10                            | <0.01%  | \$2,960                          | <\$0.1                       | <1%                                       |
| Above \$87,500                          | 60                             | 0.02%   | \$62,570                         | \$4.0                        | 99%                                       |
| <b>All Full-Year Filers</b>             | <b>90</b>                      | <b>0.01%</b>                                    | <b>\$45,540</b>                  | <b>\$4.0</b>                 | <b>100%</b>                               |
| <b>Part-Year and Nonresident Filers</b> | <b>10</b>                      |   | <b>\$430</b>                     | <b>\$0.0</b>                 |   |

\*Each income group contains 20 percent of the full-year filers (approximately 336,000)

## Credit used by Age of Primary Filer

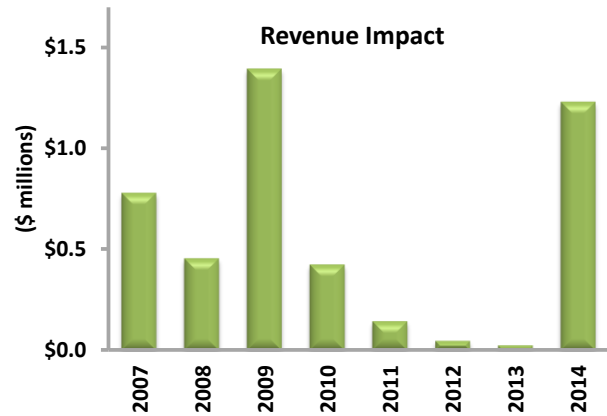
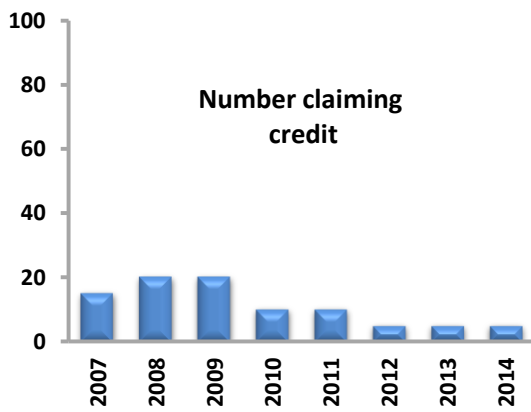
**Production or Collection of Biomass Credit - by Age - 2014 Personal Income Tax Filers**

| Age Group of Full-Year Filers* | Number of Filers Taking Credit | Percent of filers in age group taking credit | Average Revenue Impact of Credit | Revenue Impact (\$ millions) | Percent of Revenue Impact by Age Group |
|--------------------------------|--------------------------------|--|----------------------------------|------------------------------|--|
| Below 28                       | 10                             | <0.01%                                       | \$5,760                          | \$0.1                        | 2%                                     |
| 28 - 38                        | 10                             | <0.01%                                       | \$18,120                         | \$0.2                        | 5%                                     |
| 39 - 51                        | 20                             | <0.01%                                       | \$54,130                         | \$1.3                        | 33%                                    |
| 52 - 63                        | 30                             | 0.01%  | \$46,040                         | \$1.4                        | 36%                                    |
| Above 63                       | <10                            | <0.01%                                       | \$106,100                        | \$1.0                        | 24%                                    |
| <b>All Full-Year Filers</b>    | <b>90</b>                      | <b>&lt;0.01%</b>                             | <b>\$45,540</b>                  | <b>\$4.0</b>                 | <b>100%</b>                            |

\*Each income group contains 20 percent of the full-year filers (approximately 336,000)

**Geographic Data:** Due to disclosure laws and the small number of taxpayers that claim this credit, geographic detail cannot be provided.

## Credit History – Corporate Income Tax



## **1.448 Fish Screening Devices** (ORS 315.272)

Sunset: January 1, 2018

A credit against personal and corporation income tax is allowed for installing a fish screening device, bypass device, or fishway (except where the device is part of a federally regulated hydroelectric project). The credit for each device installed equals 50 percent of the taxpayer's net certified cost of installing the screening device, bypass device, or fishway. The total credit allowed shall not exceed \$5,000 per device installed. Devices that are financed by the Water Development Fund are ineligible for the credit. The device must be certified by the Oregon Department of Fish and Wildlife (ODFW) to be eligible for the credit. There is a preliminary certification prior to installation and a final certification upon completion. Credits unclaimed because of insufficient tax liability can be carried forward for up to five years.

### **Credit History – Personal and Corporate Income Tax**

For tax years 2007-2014, an average of about 25 taxpayers have claimed the credit per year with a total revenue impact per year of less than \$50,000.

**Demographic Data:** Due to disclosure laws, the small number of taxpayers that claim this credit, and the low dollar amount claimed, demographic detail cannot be provided.

### 1.450 Fire Insurance (ORS 317.122(1))

Sunset: December 31, 2017

Property and casualty insurers who write fire insurance policies pay both the corporation income tax and the fire insurance gross premiums tax (Fire Marshal Tax). These insurers are then allowed a credit against the corporation income tax for the fire insurance premium taxes paid under ORS 731.820. This credit cannot be carried forward.

#### Credit History – Corporate Income Tax

