

OR H 2087, Enacted - Final

Oregon

SUMMARY: Requires the Legislative Revenue Officer to study the personal income tax system.~SAME AS:

Changes in Bill text reflected as:

~~Text Deleted~~

Text Added

~~Text Vetoed~~

Current Legislative Status

01/13/2025 PREFILED

01/17/2025 To HOUSE Committee on REVENUE.

01/21/2025 INTRODUCED.

01/21/2025 To HOUSE Committee on REVENUE.

03/11/2025 Public Hearing held.

06/23/2025 Work Session scheduled 06/24/2025.

06/24/2025 Work Session held.

06/25/2025 From HOUSE Committee on REVENUE: Do pass as amended.

06/25/2025 Printed A Engrossed Text.

06/25/2025 In HOUSE: Second Reading.

06/26/2025 Passed HOUSE. *****To SENATE.

06/26/2025 To SENATE Committee on RULES.

06/27/2025 Public Hearing and Work Session held.

06/27/2025 From SENATE Committee on RULES: Do pass.

06/27/2025 In SENATE: Second Reading.

06/27/2025 Passed SENATE.

06/27/2025 Eligible for GOVERNOR'S desk.

06/27/2025 Public Hearing and Work Session held.

07/24/2025 Signed by GOVERNOR.

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session: Oregon 83rd Oregon Legislative Assembly - 2025 Regular Session

cite: 2025 OR H 2087

Enacted - Final

July 24, 2025

Revenue

83rd OREGON LEGISLATIVE ASSEMBLY--2025 Regular Session

Enrolled

House Bill 2087

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of House Interim Committee on Revenue for Representative Nancy Nathanson)

CHAPTER ____

AN ACT

Relating to revenue; creating new provisions; amending ORS 315.156, 315.271, 315.514, 315.622, 316.798 and 317.097 and sections 7 and 10, chapter 826, Oregon Laws 2005, section 66, chapter 832, Oregon Laws 2005, section 9, chapter 765, Oregon Laws 2007, section 6, chapter 880, Oregon Laws 2007, section 18, chapter 906, Oregon Laws 2007, sections 5 and 36, chapter 913, Oregon Laws 2009, section 9, chapter 109, Oregon Laws 2018, section 41, chapter 579, Oregon Laws 2019, and section 30, chapter 525, Oregon Laws 2021; and prescribing an effective date.

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

TEXT OMITTED, DOES NOT PERTAIN TO FILM

SECTION 19. ORS 315.514 is amended to read:

315.514. (1) A credit against the taxes that are otherwise due under ORS chapter 316 or, if the taxpayer is a corporation, under ORS chapter 317 or 318, is allowed to a taxpayer for certified film production development contributions made by the taxpayer to the Oregon Production Investment Fund established under ORS 284.367.

(2)(a) The Department of Revenue shall, in cooperation with the Oregon Film and Video Office, conduct an auction of tax credits under this section. The auction may be conducted no later than April 15 following December 31 of any tax year for which the credit is allowed. The department may conduct the auction in the manner that it determines is best suited to maximize the return to the state on the sale of tax credit certifications and shall announce a reserve bid prior to conducting the auction. The reserve amount shall be at least 90 percent of the total amount of the tax credit. Moneys necessary to reimburse the department for the actual costs incurred by the department in administering an auction, not to exceed 0.25 percent of auction proceeds, are continuously appropriated to the department. The department shall deposit net receipts from the auction required under this section in the Oregon Production Investment Fund.

(b) The Oregon Film and Video Office shall adopt rules in order to achieve the following goals:

(A) Subject to paragraph (a) of this subsection, generate contributions for which tax credits of ~~\$20 million~~ **\$20.6 million** are certified for each fiscal year;

(B) Maximize income and excise tax revenues that are retained by the State of Oregon for state operations; and

(C) Provide the necessary financial incentives for taxpayers to make contributions, taking into consideration the impact of granting a credit upon a taxpayer's federal income tax liability.

(3) Contributions made under this section shall be deposited in the Oregon Production Investment Fund.

(4)(a) Upon receipt of a contribution, the Oregon Film and Video Office shall, except as provided in ORS 315.516, issue to the taxpayer written certification of the amount certified for tax credit under this section to the extent the amount certified for tax credit, when added to all amounts previously certified for tax credit under this section, does not exceed ~~\$20 million~~ **\$20.6 million** for the fiscal year in which certification is made.

(b) The Oregon Film and Video Office may issue a certification for a credit under this section, and a credit may be allowed, for the tax year in which a contribution is made, or for the tax year immediately preceding the tax year in which a contribution is made and for auctions conducted no later than April 15 following December 31 of any tax year for which the credit is allowed, if no return has yet been filed for the preceding tax year.

(c) The Oregon Film and Video Office and the department are not liable, and a refund of a contributed amount need not be made, if a taxpayer who has received tax credit certification is unable to use all or a portion of the tax credit to offset the tax liability of the taxpayer.

(5) To the extent the Oregon Film and Video Office does not certify contributed amounts as eligible for a tax credit under this section, the taxpayer may request a refund of the amount the taxpayer contributed, and the office shall refund that amount.

(6)(a) Except as provided in paragraph (b) of this subsection, a tax credit claimed under this section may not exceed the tax liability of the taxpayer and may not be carried over to another tax year.

(b) Any tax credit otherwise allowable under this section that is not used by the taxpayer in a particular tax year may be carried forward and offset against the taxpayer's tax liability for the next succeeding tax year. Any credit remaining unused in the next succeeding tax year may be carried forward and used in the second succeeding tax year, and likewise, any credit not used in that second succeeding tax year may be carried forward and used in the

third succeeding tax year but may not be carried forward for any tax year thereafter.

(c) A taxpayer is not eligible for a tax credit under this section if the first tax year for which the credit would otherwise be allowed begins on or after January 1, 2030.

(7) If a tax credit is claimed under this section by a nonresident or part-year resident taxpayer, the amount shall be allowed without proration under ORS 316.117.

(8) If the amount of contribution for which a tax credit certification is made is allowed as a deduction for federal tax purposes, the amount of the contribution shall be added to federal taxable income for Oregon tax purposes.

SECTION 20. ORS 315.514, as amended by section 19 of this 2025 Act, is amended to read:

315.514. (1) A credit against the taxes that are otherwise due under ORS chapter 316 or, if the taxpayer is a corporation, under ORS chapter 317 or 318, is allowed to a taxpayer for certified film production development contributions made by the taxpayer to the Oregon Production Investment Fund established under ORS 284.367.

(2)(a) The Department of Revenue shall, in cooperation with the Oregon Film and Video Office, conduct an auction of tax credits under this section. The auction may be conducted no later than April 15 following December 31 of any tax year for which the credit is allowed. The department may conduct the auction in the manner that it determines is best suited to maximize the return to the state on the sale of tax credit certifications and shall announce a reserve bid prior to conducting the auction. The reserve amount shall be at least 90 percent of the total amount of the tax credit. Moneys necessary to reimburse the department for the actual costs incurred by the department in administering an auction, not to exceed 0.25 percent of auction proceeds, are continuously appropriated to the department. The department shall deposit net receipts from the auction required under this section in the Oregon Production Investment Fund.

(b) The Oregon Film and Video Office shall adopt rules in order to achieve the following goals:

(A) Subject to paragraph (a) of this subsection, generate contributions for which tax credits of ~~\$20.6 million~~ **\$21.2 million** are certified for each fiscal year;

(B) Maximize income and excise tax revenues that are retained by the State of Oregon for state operations; and

(C) Provide the necessary financial incentives for taxpayers to make contributions, taking into consideration the impact of granting a credit upon a taxpayer's federal income tax liability.

(3) Contributions made under this section shall be deposited in the Oregon Production Investment Fund.

(4)(a) Upon receipt of a contribution, the Oregon Film and Video Office shall, except as provided in ORS 315.516, issue to the taxpayer written certification of the amount certified for tax credit under this section to the extent the amount certified for tax credit, when added to all amounts previously certified for tax credit under this section, does not exceed ~~\$20.6 million~~ **\$21.2 million** for the fiscal year in which certification is made.

(b) The Oregon Film and Video Office may issue a certification for a credit under this section, and a credit may be allowed, for the tax year in which a contribution is made, or for the tax year immediately preceding the tax year in which a contribution is made and for auctions conducted no later than April 15 following December 31 of any tax year for which the credit is allowed, if no return has yet been filed for the preceding tax year.

(c) The Oregon Film and Video Office and the department are not liable, and a refund of a contributed amount need not be made, if a taxpayer who has received tax credit certification is unable to use all or a portion of the tax credit to offset the tax liability of the taxpayer.

(5) To the extent the Oregon Film and Video Office does not certify contributed amounts as eligible for a tax credit under this section, the taxpayer may request a refund of the amount the taxpayer contributed, and the office shall refund that amount.

(6)(a) Except as provided in paragraph (b) of this subsection, a tax credit claimed under this section may not exceed the tax liability of the taxpayer and may not be carried over to another tax year.

(b) Any tax credit otherwise allowable under this section that is not used by the taxpayer in a particular tax year may be carried forward and offset against the taxpayer's tax liability for the next succeeding tax year. Any credit remaining unused in the next succeeding tax year may be carried forward and used in the second succeeding tax year, and likewise, any credit not used in that second succeeding tax year may be carried forward and used in the third succeeding tax year but may not be carried forward for any tax year thereafter.

(c) A taxpayer is not eligible for a tax credit under this section if the first tax year for which the credit would otherwise be allowed begins on or after January 1, 2030.

(7) If a tax credit is claimed under this section by a nonresident or part-year resident taxpayer, the amount shall be allowed without proration under ORS 316.117.

(8) If the amount of contribution for which a tax credit certification is made is allowed as a deduction for federal tax purposes, the amount of the contribution shall be added to federal taxable income for Oregon tax purposes.

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SECTION 25. *This 2025 Act takes effect on the 91st day after the date on which the 2025 regular session of the Eighty-third Legislative Assembly adjourns sine die.*