

House Bill 3173

Sponsored by Representative EVANS

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**.

Creates income tax credit for unreimbursed expenses of certain public school teachers and adjunct instructors. Applies to tax years beginning on or after January 1, 2017.

A BILL FOR AN ACT

1
2 Relating to a tax credit for educator classroom expenses.

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

4 **SECTION 1. Section 2 of this 2017 Act is added to and made a part of ORS chapter 315.**

5 **SECTION 2. (1) As used in this section:**

6 (a) **"Eligible educator"** means an elementary or secondary school teacher at a public
7 school or an adjunct instructor who teaches at least six credit hours in the tax year at an
8 eligible institution.

9 (b) **"Eligible expenses"** means unreimbursed expenses of the types described in section
10 **62(a)(2)(D) of the Internal Revenue Code that are incurred by an eligible educator.**

11 (c) **"Eligible institution"** means a public university listed in ORS 352.002, the Oregon
12 Health and Science University, a community college operated under ORS chapter 341 or any
13 other public educational institution in this state that is authorized by law to provide a pro-
14 gram of education for kindergarten through grade 12.

15 (2) **A credit against the taxes otherwise due under ORS chapter 316 shall be allowed for**
16 **eligible expenses incurred during the tax year. The amount of credit shall equal the lesser**
17 **of:**

18 (a) **The amount of eligible expenses; or**

19 (b) **\$250.**

20 (3) **The credit allowed under this section in one tax year may not exceed the tax liability**
21 **of the taxpayer.**

22 (4) **If a credit allowed under this section is claimed, the amount upon which the credit**
23 **is based that is allowed or allowable as a deduction from federal taxable income under section**
24 **62 of the Internal Revenue Code shall be added to federal taxable income in determining**
25 **Oregon taxable income.**

26 (5)(a) **A nonresident shall be allowed the credit under this section in the proportion pro-**
27 **vided in ORS 316.117.**

28 (b) **If a change in the status of a taxpayer from resident to nonresident or from nonres-**
29 **ident to resident occurs, the credit allowed under this section shall be determined in a**
30 **manner consistent with ORS 316.117.**

31 (c) **If a change in the taxable year of a taxpayer occurs as described in ORS 314.085, or**

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 if the Department of Revenue terminates the taxpayer's taxable year under ORS 314.440, the
2 credit allowed under this section shall be prorated or computed in a manner consistent with
3 ORS 314.085.

4 (6) The Department of Education shall adopt rules that establish policies and procedures
5 for certifying taxpayers as eligible educators for purposes of the tax credit allowed under this
6 section.

7 SECTION 3. Section 2 of this 2017 Act applies to tax years beginning on or after January
8 1, 2017.

9
