HOUSE INTERIM COMMITTEE ON REVENUE

August 29, 2012 Hearing Room A 08:30 A.M. ID# 8821

MEMBERS PRESENT: Co-Chair, Rep. Barnhart

Co-Chair, Rep. Berger

Rep. Bentz Rep. Gelser Rep. Read Rep. Wand

MEMBERS EXCUSED Co-Vice Chair, Rep. Bailey

Co-Vice Chair, Rep. Eyre Brewer

STAFF PRESENT: Paul Warner, Legislative Revenue Officer

Corinne Gavette, Office Manager Mazen Malik, Sr. Economist Chris Allanach, Sr. Economist

Dae Baek, Economist

Christine Broniak, Economist

(Met jointly with the Senate Interim Finance and Revenue Committee)

ISSUES HEARD: September Forecast

Income Tax Compliance Issues

Film Tax Credit Auction Rural Medical Tax Credit Manufacturing BETC Committee Bill Drafting

WITNESSES: Mark McMullin – State Economist, OEA

Dr. Bill Conerly Josh Lehner – OEA Jim Bucholz, Dir. DOR Vince Porter, OR Film Board

Scott Ekblad, OHSU

Tim McCabe

HREV and **SFR**

8/29/2012 8:32:34 AM

8:32:42 AM Co-Chair Berger

8:32:45 AM Meeting Called to Order by House Interim Revenue Committee

- 8:32:55 AM Vice-Chair Morse
- **8:32:58 AM** Meeting Called to Order by Senate Interim Finance and Revenue Committee
- 8:33:05 AM Co-Chair Berger
- 8:33:17 AM September Economic and Revenue Forecast
- 8:33:24 AM Mark McMullin, State Economist OEA
- 8:38:22 AM Dr. Bill Conerly
- 8:46:42 AM Mark McMullin
- 8:47:05 AM Josh Lehner, OEA
- 8:48:24 AM {Exhibit} A: LRO Forecast Summary
- 8:48:37 AM {Exhibit} B: Forecast Summary OEA
- **8:48:48 AM** {Exhibit} C: Forecast presentation
- 8:53:06 AM Mark McMullin
- 9:03:02 AM Co-Chair Berger
- 9:03:04 AM Vice-Chair Morse
- 9:03:43 AM Dr. Bill Conerly
- 9:04:46 AM Vice-Chair Morse
- 9:05:20 AM Mark McMullin
- 9:06:46 AM Rep. Bentz
- 9:07:10 AM Dr. Bill Conerly
- 9:08:18 AM Rep. Bentz
- 9:08:57 AM Dr. Bill Conerly
- 9:09:30 AM Co-Chair Berger
- 9:09:55 AM Dr. Bill Conerly
- 9:10:59 AM Co-Chair Berger
- 9:11:21 AM Vice-Chair Morse
- 9:12:15 AM Dr. Bill Conerly
- 9:13:57 AM Rep. Bentz
- 9:14:43 AM Mark McMullin
- 9:14:51 AM Rep. Bentz
- 9:15:15 AM Mark McMullin
- 9:16:28 AM Co-Chair Berger
- 9:16:57 AM Recording Paused for Break
- 9:34:30 AM Recording Resumed
- 9:34:34 AM Co-Chair Berger
- 9:35:08 AM Jim Bucholz, Director DOR
- 9:35:13 AM Income Tax Compliance Issues
- 9:36:22 AM {Exhibit} D: DOR tax fraud cases
- 9:39:04 AM Co-Chair Barnhart
- 9:39:17 AM Jim Bucholz
- 9:44:53 AM Co-Chair Berger
- 9:44:58 AM Jim Bucholz
- 10:00:45 AM Co-Chair Berger
- 10:01:30 AM Rep. Gelser
- 10:05:34 AM Co-Chair Berger
- 10:05:46 AM Jim Bucholz

- 10:09:37 AM Sen. Hass
- 10:10:11 AM Jim Bucholz
- 10:12:48 AM Sen. Hass
- **10:13:09 AM** Jim Bucholz
- 10:13:13 AM Rep. Bentz
- 10:15:59 AM Jim Bucholz
- 10:19:05 AM Vice-Chair Morse
- 10:21:22 AM Jim Bucholz
- 10:24:43 AM Co-Chair Berger
- 10:24:56 AM Rep. Wand
- **10:25:38 AM** Jim Bucholz
- 10:27:44 AM Rep. Read
- 10:28:43 AM Co-Chair Berger
- **10:28:56 AM** Jim Bucholz
- **10:29:55 AM** Rep. Read
- 10:30:00 AM Co-Chair Berger
- 10:30:03 AM Co-Chair Barnhart
- **10:30:37 AM** Jim Bucholz
- 10:30:43 AM Co-Chair Barnhart
- **10:31:12 AM** Jim Bucholz
- 10:32:08 AM Co-Chair Barnhart
- 10:32:36 AM Jim Bucholz
- 10:32:53 AM Co-Chair Barnhart
- 10:32:56 AM Jim Bucholz
- 10:34:33 AM Co-Chair Barnhart
- 10:35:09 AM Jim Bucholz
- 10:35:13 AM Co-Chair Barnhart
- 10:35:22 AM Jim Bucholz
- 10:35:42 AM Co-Chair Barnhart
- 10:35:45 AM Jim Bucholz
- 10:36:06 AM Co-Chair Barnhart
- 10:36:14 AM Jim Bucholz
- 10:36:21 AM Chair Burdick
- 10:39:19 AM Jim Bucholz
- 10:41:33 AM Chair Burdick
- 10:42:51 AM Jim Bucholz
- 10:47:11 AM Co-Chair Berger
- 10:48:09 AM Jim Bucholz
- 10:48:11 AM Co-Chair Berger
- 10:48:36 AM Results of Film and Video Tax Credit Auction
- 10:48:57 AM Vince Porter, Or Film Board
- 10:50:20 AM {Exhibit} E: OR Film Tax Credit handout
- 10:51:02 AM Co-Chair Berger
- **10:51:16 AM** Rep. Wand
- 10:51:23 AM Vince Porter
- 10:52:09 AM Co-Chair Barnhart

- 10:52:32 AM Vince Porter
- **10:53:02 AM** Chair Burdick
- 10:53:20 AM Vince Porter
- 10:54:11 AM Co-Chair Berger
- **10:54:51 AM** Vince Porter
- 10:55:34 AM Vince Porter
- 10:55:37 AM Rep. Read
- 10:57:11 AM Co-Chair Berger
- 10:57:24 AM Background on Rural Medical Tax Credit
- 10:58:46 AM Scott Ekblad, OHSU
- **10:59:18 AM** {Exhibit} F: Rural Medical Tax Credit presentation
- 11:05:16 AM Co-Chair Barnhart
- 11:05:51 AM Scott Ekblad
- **11:05:54 AM** Chair Burdick
- **11:06:35 AM** Scott Ekblad
- 11:07:03 AM Chair Burdick
- 11:07:10 AM Scott Ekblad
- 11:07:13 AM Co-Chair Berger
- 11:07:16 AM Chair Burdick
- 11:07:19 AM Co-Chair Berger
- 11:08:02 AM Background on Manufacturing Business Energy Tax Credit
- 11:08:18 AM Tim McCabe, Business Oregon
- 11:08:44 AM (Exhibit) G: Business Oregon handout 1
- 11:08:58 AM (Exhibit) H: Business Oregon handout 2
- 11:09:53 AM {Exhibit} I: BETC chart
- 11:14:43 AM Vice-Chair Morse
- 11:15:28 AM Tim McCabe
- 11:17:11 AM Tim McCabe
- **11:17:39 AM** Chair Burdick
- 11:18:57 AM Tim McCabe
- **11:18:58 AM** Tim McCabe
- 11:20:33 AM Chair Burdick
- 11:20:45 AM Tim McCabe
- 11:22:43 AM Co-Chair Barnhart
- 11:23:53 AM Co-Chair Berger
- 11:23:56 AM Chris Allanach
- 11:24:00 AM Co-Chair Berger
- 11:24:08 AM Tim McCabe
- 11:24:10 AM Co-Chair Berger
- 11:24:27 AM Committee Bill Draft Request Process
- **11:24:30 AM** Paul Warner
- 11:25:54 AM Co-Chair Berger
- 11:26:15 AM Paul Warner
- 11:26:49 AM Co-Chair Barnhart
- 11:28:35 AM Co-Chair Berger
- 11:28:39 AM Paul Warner

11:29:23 AM Co-Chair Berger

11:09:53 AM {Exhibit} I: BETC chart

11:29:30 AM Meeting Adjourned by HREV Co-Chair Berger

11:29:33 AM Meeting Adjourned by SFR Chair Burdick

EXHIBITS

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