



Low-income Renters' Tax Credit:

Stable Housing for All Oregonians

HB 3110 – SUPPORT

Background

Hardworking Oregonians should be able to afford housing and still have enough money for groceries and other basic necessities. Unfortunately, this is not the case for everyone in our state. Income has not kept pace with rent costs, particularly for families with children.

There are more than 100,000 Oregon households struggling to pay rent with incomes under the federal poverty level. Federal Section 8 funding continues to be cut, edging even more families towards homelessness. A state renters' tax credit is essential for helping Oregon families have safe and stable housing.

Proposal

- Establish a low-income renters' tax credit modeled after the Elderly Rental Assistance program.
- Oregon renters who have a household income under 100% of the federal poverty level and are paying more than 30% of their household income on rent would be eligible.
- Payments would be based on the difference between 30% of household income and gross rent up to a maximum \$1,500 credit.

Example: A three person household has an annual income of \$15,600. They pay \$6,120 a year in rent, or \$510 a month. Thirty percent of their income would be \$4,680.

Their rent (\$6,120) minus thirty percent of their household income (\$4,680) equals \$1,440. This is the amount of their credit.

Cost

- The cost of the low-income renters' tax credit is estimated at \$7.5 million in the first year, rising to \$10 million in subsequent years.

Benefits

- Stable housing helps families and children thrive. Children deserve an opportunity to succeed in school and life. Safe and consistent housing helps this happen.
- Housing gives people an opportunity to build better lives. To succeed, families need a place to call home.
- Low-income Oregonians will be able to spend their tax credit on basic necessities in their local communities, including food.

This bill is sponsored by Representative Dave Hunt (D) Milwaukie and Representative Debi Farr (R) Eugene. For more information about the Renters' Tax Credit, contact Patti Whitney-Wise of the Oregon Hunger Relief Task Force at (503) 963-2290 or patti.ww@hcs.state.or.us.