

SENATE AMENDMENTS TO SENATE BILL 1534

By COMMITTEE ON FINANCE AND REVENUE

February 19

1 On page 1 of the printed bill, line 2, after “ORS” delete the rest of the line and insert “316.043,
2 316.099, 316.693, 316.749, 316.758, 317.283 and 323.455 and section 7, chapter 5, Oregon Laws 2013
3 (special session);”.

4 On page 2, line 38, after “corporation” insert “on or after January 1, 2013”.

5 In line 40, before the period insert “made on or after January 1, 2013, if the tax in paragraph
6 (a) of this subsection is imposed on the commission”.

7 After line 42, insert:

8 “**SECTION 3.** ORS 316.749 is amended to read:

9 “316.749. (1) In addition to the other modifications to federal taxable income contained in this
10 chapter, there shall be subtracted from federal taxable income the amount of any dividend received
11 by the taxpayer **on or after January 1, 2013**, from a domestic international sales corporation
12 **formed on or before January 1, 2014, and subject to the tax imposed under ORS 317.283**
13 **(2)(a)**.

14 “(2) As used in this section, ‘domestic international sales corporation’ means a domestic inter-
15 national sales corporation as defined in section 992 of the Internal Revenue Code.

16 “**SECTION 4.** Section 7, chapter 5, Oregon Laws 2013 (special session), is amended to read:

17 “**Sec. 7.** (1) [*Sections 4 and 6c of this 2013 special session Act*] **ORS 316.693** and the amendments
18 to ORS 316.085, 316.695, 317.061[, 317.283] and 317.635 by sections 1, 2, 5[,] **and 6** [*and 6a of this 2013*
19 *special session Act*], **chapter 5, Oregon Laws 2013 (special session)**, apply to tax years beginning
20 on or after January 1, 2013.

21 “(2) The amendments to ORS 315.266 by section 6d [*of this 2013 special session Act*], **chapter**
22 **5, Oregon Laws 2013 (special session)**, apply to tax years beginning on or after January 1,
23 2014.”.

24 In line 43, delete “3” and insert “5”.

25 On page 3, line 33, delete “4” and insert “6”.

26 After line 34, insert:

27 “(a) ‘Material participation’ has the meaning given that term in section 469 of the Internal Re-
28 venue Code.”.

29 In line 35, delete “(a)” and insert “(b)”.

30 In line 38, delete “(b)” and insert “(c)”.

31 Delete line 43 and insert “taxed at:

32 “(a) The rate applicable under ORS 316.037; or

33 “(b) At the election of the taxpayer, a rate of:”.

34 In line 44, delete “(a)(A)” and insert “(A)”.

35 On page 4, line 6, delete “; or” and insert a period.

1 Delete line 7.

2 In line 8, delete “(2)” and insert “(2)(b)”.

3 In line 13, delete “(2)” and insert “(2)(b)”.

4 In line 17, delete “(2)” and insert “(2)(b)”.

5 In line 20, delete “(2)” and insert “(2)(b)”.

6 In line 22, delete “(2)” and insert “(2)(b)”.

7 In line 32, delete “(2)” and insert “(2)(b)”.

8 In line 35, delete “(2)” and insert “(2)(b)”.

9 In line 38, delete “5.” and insert “7.”.

10 After line 39, insert:

11 **“SECTION 8.** ORS 316.099 is amended to read:

12 “316.099. (1) As used in this section, unless the context requires otherwise:

13 “(a) ‘Child with a disability’ means a qualifying child under section 152 of the Internal Revenue

14 Code who has been determined eligible for early intervention services or is diagnosed for the pur-

15 poses of special education as being mentally retarded, multidisabled, visually impaired, hard of

16 hearing, deaf-blind, orthopedically impaired or other health impaired or as having autism, emotional

17 disturbance or traumatic brain injury, in accordance with State Board of Education rules.

18 “(b) ‘Early intervention services’ means programs of treatment and habilitation designed to ad-

19 dress a child’s developmental deficits in sensory, motor, communication, self-help and socialization

20 areas.

21 “(c) ‘Special education’ means specially designed instruction to meet the unique needs of a child

22 with a disability, including regular classroom instruction, instruction in physical education, home

23 instruction and instruction in hospitals, institutions and special schools.

24 “(2) The State Board of Education shall adopt rules further defining ‘child with a disability’ for

25 purposes of this section. A diagnosis obtained for the purposes of entitlement to special education

26 or early intervention services shall serve as the basis for a claim for the additional credit allowed

27 under subsection (3) of this section.

28 “(3) In addition to the personal exemption credit allowed by this chapter for state personal in-

29 come tax purposes for a dependent of the taxpayer, there shall be allowed an additional personal

30 exemption credit for a child with a disability if the child is a child with a disability at the close of

31 the tax year. The amount of the credit **allowed for the dependent for the tax year** shall be *[equal*

32 *to the amount allowed as the personal exemption credit for the dependent for state personal income tax*

33 *purposes for the tax year]* **calculated as provided in ORS 316.085, except that the amount may**

34 **not be reduced on the basis of income under ORS 316.085 (5).**

35 “(4) Each taxpayer qualifying for the additional personal exemption credit allowed by this sec-

36 tion may claim the credit on the personal income tax return. However, the claim shall be substan-

37 tiated by any proof of entitlement to the credit as may be required by the state board by rule.

38 **“SECTION 9.** ORS 316.758 is amended to read:

39 “316.758. In addition to the personal exemption credit allowed by this chapter for state personal

40 income tax purposes, there shall be allowed an additional personal exemption credit for the taxpayer

41 if the taxpayer has a severe disability at the close of the taxable year. The amount of the credit

42 **allowed for the tax year** shall be *[equal to the amount allowed as the personal exemption credit for*

43 *the taxpayer for state personal income tax purposes for the taxable year]* **calculated as provided in**

44 **ORS 316.085, except that the amount may not be reduced on the basis of income under ORS**

45 **316.085 (5).**

1 **“SECTION 10. The amendments to ORS 316.099 and 316.758 by sections 8 and 9 of this 2014**
2 **Act apply to tax years beginning on or after January 1, 2013.**

3 **“SECTION 11. Every bridge that passes over a river or body of water forming a boundary**
4 **between this state and another state, and that has been constructed or acquired and is being**
5 **operated by the other state or by any county, city or other municipality of the other state,**
6 **shall, together with its approaches, be exempt from all property and other taxes in this state,**
7 **if the other state exempts from all taxation every such interstate bridge, together with its**
8 **approaches, constructed or acquired and operated by this state or by any county, city or**
9 **other municipality of this state.**

10 **“SECTION 12. Section 11 of this 2014 Act is operative retroactively to January 1, 2008,**
11 **and the operation and effect of section 11 of this 2014 Act shall continue unaffected from**
12 **January 1, 2008, to the effective date of this 2014 Act and thereafter. Any otherwise lawful**
13 **action taken or otherwise lawful obligation incurred under authority of section 11 of this 2014**
14 **Act after January 1, 2008, and before the effective date of this 2014 Act is ratified and ap-**
15 **proved.”.**

16 In line 40, delete “6” and insert “13”.