

House Bill 2079

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

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**.

Requires, for Oregon corporate excise or income tax purposes, addition to federal taxable income of amount of employee compensation over prescribed limit.

Applies to tax years beginning on or after January 1, 2016.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1 Relating to limiting deductibility of corporate compensation; and prescribing an effective date.

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

3 **SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS chapter 317.**

4 **SECTION 2. (1) As used in this section, "compensation" includes wages, salaries, bo-**
5 **nuses, commissions, stock options or any other remuneration paid to or accrued to an indi-**
6 **vidual in return for services.**

7
8 **(2) If the compensation of any employee of the taxpayer exceeds \$_____ in the tax year,**
9 **there shall be added to federal taxable income the aggregate amount by which each**
10 **employee's compensation exceeds \$_____, if that amount has been deducted on the**
11 **taxpayer's federal return.**

12 **SECTION 3. Section 4 of this 2015 Act is added to and made a part of ORS chapter 318.**

13 **SECTION 4. (1) As used in this section, "compensation" includes wages, salaries, bo-**
14 **nuses, commissions, stock options or any other remuneration paid to or accrued to an indi-**
15 **vidual in return for services.**

16 **(2) If the compensation of any employee of the taxpayer exceeds \$_____ in the tax year,**
17 **there shall be added to federal taxable income the aggregate amount by which each**
18 **employee's compensation exceeds \$_____, if that amount has been deducted on the**
19 **taxpayer's federal return.**

20 **SECTION 5. Sections 2 and 4 of this 2015 Act apply to tax years beginning on or after**
21 **January 1, 2016.**

22 **SECTION 6. This 2015 Act takes effect on the 91st day after the date on which the 2015**
23 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**

24

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.