

SB 213 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Meeting Dates: 2/6

WHAT THE MEASURE DOES:

Updates income and excise tax connection date to federal Internal Revenue Code and other provisions of federal tax law from December 31, 2017 to December 31, 2018. Eliminates tax year of taxpayer as connection date for certain changes in Internal Revenue Code that are related to definition of taxable income.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon has had a continuing connection ("rolling reconnect") to the definition of taxable income since tax year 2011. Other ties to federal tax law must be updated on a regular basis, with December 31st being the usual connection date. Over the past forty years, the state has rotated between a policy of automatic connection to federal tax base changes and connection to the federal code at a particular point in time.