

House Bill 3421

Sponsored by Representative BONHAM

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**.

Establishes tax rate for taxable income from partnerships, S corporations and sole proprietorships.

Applies to tax years beginning on or after January 1, 2020.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to personal income tax rates; and prescribing an effective date.

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

4 **SECTION 1. Section 2 of this 2019 Act is added to and made a part of ORS chapter 316.**

5 **SECTION 2. Notwithstanding ORS 316.037, a taxpayer's income from a partnership, S**
6 **corporation or sole proprietorship shall be taxed at:**

7 (1) **Five percent of the first \$2,000 of taxable income;**

8 (2) **Five and six-tenths percent of taxable income greater than \$2,000 and less than or**
9 **equal to \$1 million; and**

10 (3) **Six and six-tenths percent of taxable income in excess of \$1 million.**

11 **SECTION 3. Section 2 of this 2019 Act applies to tax years beginning on or after January**
12 **1, 2020.**

13 **SECTION 4. This 2019 Act takes effect on the 91st day after the date on which the 2019**
14 **regular session of the Eightieth Legislative Assembly adjourns sine die.**

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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.