

Senate Bill 784

Sponsored by Senator HANSELL, Representative BARRETO; Senator THATCHER, Representative BOSHART DAVIS

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**.

Creates tax subtraction for crop loss due to fire. Applies to tax years beginning on or after January 1, 2020, and before January 1, 2026.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to a tax subtraction for crop losses; 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. (1) As used in this section, "crop" has the meaning given that term in ORS**
6 **315.113.**

7 **(2) In the case of crop loss due to fire during the tax year, there shall be subtracted from**
8 **federal taxable income a positive amount equal to the potential market value of the crop at**
9 **harvest minus the amount of any insurance settlement or other taxable payment received**
10 **by the taxpayer as a result of the crop loss.**

11 **(3) Subsection (2) of this section does not apply to any crop loss due to fire that the fire**
12 **chief of the fire protection district or unit determines was caused by arson, as defined in**
13 **ORS 164.315 or 164.325, by the taxpayer or by another at the taxpayer's direction.**

14 **(4) The Department of Revenue may adopt rules prescribing procedures for establishing**
15 **the market value of lost crops.**

16 **SECTION 3. Section 4 of this 2019 Act is added to and made a part of ORS chapter 317.**

17 **SECTION 4. (1) As used in this section, "crop" has the meaning given that term in ORS**
18 **315.113.**

19 **(2) In the case of crop loss due to fire during the tax year, there shall be subtracted from**
20 **federal taxable income a positive amount equal to the potential market value of the crop at**
21 **harvest minus the amount of any insurance settlement or other taxable payment received**
22 **by the taxpayer as a result of the crop loss.**

23 **(3) Subsection (2) of this section does not apply to any crop loss due to fire that the fire**
24 **chief of the fire protection district or unit determines was caused by arson, as defined in**
25 **ORS 164.315 or 164.325, by the taxpayer or by another at the taxpayer's direction.**

26 **(4) The Department of Revenue may adopt rules prescribing procedures for establishing**
27 **the market value of lost crops.**

28 **SECTION 5. Sections 2 and 4 of this 2019 Act apply to tax years beginning on or after**
29 **January 1, 2020, and before January 1, 2026.**

30 **SECTION 6. This 2019 Act takes effect on the 91st day after the date on which the 2019**

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.

1 **regular session of the Eightieth Legislative Assembly adjourns sine die.**

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