

Requested by SENATE COMMITTEE ON FINANCE AND REVENUE

**PROPOSED AMENDMENTS TO
SENATE BILL 1529**

1 On page 1 of the printed bill, line 2, after “amending” delete the rest of
2 the line and delete line 3 and insert “ORS 314.680, 314.682, 314.684 and
3 314.686; and prescribing an effective date.”.

4 Delete lines 5 through 29 and delete page 2 and insert:

5 **“SECTION 1.** ORS 314.680 is amended to read:

6 “314.680. As used in ORS 314.680 to 314.690, unless the context requires
7 otherwise:

8 **“(1) ‘Broadcaster’ means a taxpayer that engages in the for-profit**
9 **business of broadcasting to subscribers or to an audience located both**
10 **within and without this state.**

11 “[~~(1)~~] **(2) ‘Broadcasting’** means the activity of transmitting any one-way
12 electronic signal by radio waves, microwaves, wires, coaxial cables, wave
13 guides or other conduits of communications.

14 “[~~(2)~~] *‘Gross receipts from broadcasting’ means all gross receipts of an*
15 *interstate broadcaster from transactions and activities in the regular course*
16 *of its trade or business except receipts from sales of real or tangible personal*
17 *property.]*

18 “[~~(3)~~] *‘Interstate broadcaster’ means a taxpayer that engages in the for-profit*
19 *business of broadcasting to subscribers or to an audience located both within*
20 *and without this state. The audience or subscribers ratio shall be determined*
21 *by rule of the Department of Revenue.]*

1 “(3) ‘Commercial domicile’ has the meaning given that term in ORS
2 314.610.

3 “(4) ‘Customer’ means an advertiser, licensee or any other person
4 that has a direct contractual relationship with a broadcaster under
5 which revenue is derived by the broadcaster.

6 “**SECTION 2.** ORS 314.684 is amended to read:

7 “314.684. (1) The sales factor for [*an interstate*] a broadcaster shall be
8 determined as provided in this section.

9 “(2) The denominator of the sales factor shall include the total gross re-
10 cepts derived by the [*interstate*] broadcaster from transactions and activities
11 in the regular course of its trade or business, except receipts excluded under
12 rules of the Department of Revenue.

13 “(3) The numerator of the sales factor shall include [*all gross receipts at-*
14 *tributable to this state, with gross receipts from broadcasting to be included*
15 *as specified in subsection (4) of this section.*] **receipts from broadcasting in**
16 **the greater of:**

17 “(a) **The combination of:**

18 “(A) **The broadcaster’s gross receipts from advertising customers**
19 **with Oregon as a commercial domicile;**

20 “(B) **The broadcaster’s gross receipts from licensing to licensees**
21 **with Oregon as a commercial domicile; and**

22 “(C) **The broadcaster’s gross receipts from individual customers**
23 **with a billing address in Oregon; or**

24 “(b) **The broadcaster’s gross receipts from individual customers**
25 **with a billing address in Oregon, added to the product of the**
26 **broadcaster’s domestic gross receipts from advertising and licensing,**
27 **multiplied by 0.4 percent.**

28 “[(4) *Gross receipts from broadcasting of an interstate broadcaster that en-*
29 *gages in income-producing activity in this state shall be included in the nu-*
30 *merator of the sales factor in the ratio that the interstate broadcaster’s*

1 audience or subscribers located in this state bears to its total audience and
2 subscribers located both within and without this state.]

3 “(4) As used in this section, ‘domestic’ means within the United
4 States.

5 “**SECTION 3.** ORS 314.682 is amended to read:

6 “314.682. (1) Notwithstanding any provisions of ORS 314.605 to 314.675 to
7 the contrary, ORS 314.680, 314.684 and 314.686 shall apply to the apportion-
8 ment of the income of [*an interstate*] a broadcaster.

9 “(2) Except as provided in subsection (1) of this section, all other pro-
10 visions of ORS 314.605 to 314.675 shall apply to the apportionment of the
11 income of [*an interstate*] a broadcaster.

12 “**SECTION 4.** ORS 314.686 is amended to read:

13 “314.686. If [*an interstate*] a broadcaster has gross receipts from broad-
14 casting, the determination of net income taxable by this state shall be based
15 upon the business activity within this state, and the Department of Revenue
16 shall require either the segregated method of reporting or the apportionment
17 method of reporting described in ORS 314.680 to 314.690, under the rules
18 adopted by the department, so as fairly and accurately to reflect the net in-
19 come of the [*interstate*] broadcaster’s business done within this state.

20 “**SECTION 5.** The amendments to ORS 314.680, 314.682, 314.684 and
21 314.686 by sections 1 to 4 of this 2020 Act apply to tax years beginning
22 on or after January 1, 2020.

23 “**SECTION 6.** This 2020 Act takes effect on the 91st day after the
24 date on which the 2020 regular session of the Eightieth Legislative
25 Assembly adjourns sine die.”

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