

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) ‘Cable operator’ has the meaning given that term in ORS 30.192.

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

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

7       “(6) ‘Direct broadcast satellite service’ means the distribution or  
8 broadcasting by satellite of video programming, or other services such  
9 as premium channels, music or other audio services or channels, di-  
10 rectly to receiving equipment located at an end user subscriber’s or  
11 an end user customer’s premises, and any other service received in  
12 connection with the provision of the service.

13       “(7) ‘Direct broadcast satellite service provider’ means a person that  
14 transmits, broadcasts or otherwise provides direct broadcast satellite  
15 service to subscribers or customers in this state.

16       “(8) ‘Multichannel video programming service provider’ means a  
17 multichannel video programming distributor as defined in 47 U.S.C.  
18 522(13).

19       “(9) ‘Platform broadcasting company’ means a broadcaster that is  
20 commonly owned with a cable operator, a direct broadcast satellite  
21 service provider or a multichannel video programming service pro-  
22 vider.

23       “SECTION 2. ORS 314.684 is amended to read:

24       “314.684. (1) **Except as provided in subsection (4) of this section,** the  
25 sales factor for [*an interstate*] a broadcaster shall be determined as provided  
26 in this section.

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

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

4 “[*(4) Gross receipts from broadcasting of an interstate broadcaster that en-*  
5 *gages in income-producing activity in this state shall be included in the nu-*  
6 *merator of the sales factor in the ratio that the interstate broadcaster’s*  
7 *audience or subscribers located in this state bears to its total audience and*  
8 *subscribers located both within and without this state.*] **receipts from**  
9 **broadcasting in the greater of:**

10 **“(a) The combination of:**

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

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

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

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

21 **“(4) A platform broadcasting company may elect to determine the**  
22 **sales factor by including in the numerator of the sales factor gross**  
23 **receipts from broadcasting in the ratio that the broadcaster’s audience**  
24 **or subscribers located in this state bears to its total audience and**  
25 **subscribers located both within and without this state.**

26 **“(5) As used in this section, ‘domestic’ means within the United**  
27 **States.**

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

29 **“314.682. (1) Notwithstanding any provisions of ORS 314.605 to 314.675 to**  
30 **the contrary, ORS 314.680, 314.684 and 314.686 shall apply to the apportion-**

1 ment of the income of [*an interstate*] a broadcaster.

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

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

6 “314.686. If [*an interstate*] a broadcaster has gross receipts from broad-  
7 casting, the determination of net income taxable by this state shall be based  
8 upon the business activity within this state, and the Department of Revenue  
9 shall require either the segregated method of reporting or the apportionment  
10 method of reporting described in ORS 314.680 to 314.690, under the rules  
11 adopted by the department, so as fairly and accurately to reflect the net in-  
12 come of the [*interstate*] broadcaster’s business done within this state.

13 **“SECTION 5. The amendments to ORS 314.680, 314.682, 314.684 and**  
14 **314.686 by sections 1 to 4 of this 2020 Act apply to tax years beginning**  
15 **on or after January 1, 2020.**

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

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