

House Bill 2254

Sponsored by Representative WILDE (Pre-session filed.)

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**.

Requires addition, in determination of Oregon taxable income, of amount of compensation above \$1 million threshold paid by taxpayer to any individual and deducted as business expense.

Applies to tax years beginning on or after January 1, 2022.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to the deduction of pay of highly paid individuals; and prescribing an effective date.

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

4 **SECTION 1. Section 2 of this 2021 Act is added to and made a part of ORS chapter 316.**

5 **SECTION 2. (1) As used in this section, "compensation" includes wages, salaries, bo-**
6 **nuses, commissions, stock options or any other form of remuneration paid to or accrued by**
7 **an individual in return for personal services.**

8 **(2) There shall be added to federal taxable income the amount of any individual's com-**
9 **penensation paid by a taxpayer that is in excess of \$1 million for the tax year and that has been**
10 **deducted on the taxpayer's federal return under section 162 of the Internal Revenue Code.**

11 **SECTION 3. Section 4 of this 2021 Act is added to and made a part of ORS chapter 317.**

12 **SECTION 4. (1) As used in this section, "compensation" includes wages, salaries, bo-**
13 **nuses, commissions, stock options or any other form of remuneration paid to or accrued by**
14 **an individual in return for personal services.**

15 **(2) There shall be added to federal taxable income the amount of any individual's com-**
16 **penensation paid by a taxpayer that is in excess of \$1 million for the tax year and that has been**
17 **deducted on the taxpayer's federal return under section 162 of the Internal Revenue Code.**

18 **SECTION 5. Sections 2 and 4 of this 2021 Act apply to tax years beginning on or after**
19 **January 1, 2022.**

20 **SECTION 6. This 2021 Act takes effect on the 91st day after the date on which the 2021**
21 **regular session of the Eighty-first 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.