

### Background

Oregon's artists may claim a tax deduction when they donate their art to charitable causes. An artist who donates their artwork to charity may subtract the appraised value of the donated work from their Oregon personal income, less any deduction already claimed on their personal income tax return.

### Problem

For an artist to claim a tax deduction when they donate their art to a charitable cause, they must obtain an appraisal. Current law requires the artist to submit the appraisal with their personal income tax return. However, it is not possible for the taxpayer to attach the appraisal when filing electronically (about 90 percent of taxpayers file electronically).

### Proposed Solution

Senate Bill 119 removes the requirement that artists who claim this tax deduction submit the appraisal with their personal income tax return. The bill retains the requirement that the artist obtain an appraisal, and existing law already requires taxpayers to retain and provide these records to the Department of Revenue if requested to substantiate their subtraction.

The bill retains the existing policy around the tax deduction but updates the practice to align with most taxpayers filing their taxes electronically.

### Agency Contact

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