

SB 1524-A22  
(LC 161)  
3/1/22 (CMT/ps)

Requested by HOUSE COMMITTEE ON REVENUE (at the request of Representative Nancy Nathanson)

**PROPOSED AMENDMENTS TO  
A-ENGROSSED SENATE BILL 1524**

1 On page 1 of the printed A-engrossed bill, line 2, delete “315.616,” and  
2 delete “and” and insert a comma.

3 In line 3, after “317A.137” insert “and 475C.453”.

4 On page 3, delete lines 21 through 40 and insert:

5 **“NOTE:** Section 2 was deleted by amendment. Subsequent sections were  
6 not renumbered.”.

7 On page 13, line 3, delete “2030” and insert “2025”.

8 Delete lines 4 through 22 and insert:

9 **“SECTION 12. Section 13 of this 2022 Act is added to and made a  
10 part of ORS chapter 316.**

11 **“SECTION 13. (1) As used in this section, ‘eligible taxpayer’ means  
12 a taxpayer primarily doing business in 2017 North American Industry  
13 Classification System code 111, crop production, or code 112, animal  
14 production and aquaculture.**

15 **“(2) An eligible taxpayer may elect under this section to use a  
16 three-year net operating loss carryback.**

17 **“(3)(a) Notwithstanding ORS 316.028, if an eligible taxpayer uses a  
18 net operating loss carryback under this section, there shall be added  
19 to taxable income the amount of net operating loss carryback or  
20 carryover allowed in arriving at federal taxable income.**

21 **“(b) After making the addition under paragraph (a) of this sub-**

1 **section, an eligible taxpayer shall subtract from federal taxable income**  
2 **a deduction for net operating loss carryback. The amount of a net**  
3 **operating loss deduction under this subsection may be carried back to**  
4 **each of the three tax years preceding the tax year in which the loss**  
5 **arises.**

6 **“SECTION 14. Section 15 of this 2022 Act is added to and made a**  
7 **part of ORS chapter 317.**

8 **“SECTION 15. (1) As used in this section, ‘eligible taxpayer’ means**  
9 **a taxpayer primarily doing business in 2017 North American Industry**  
10 **Classification System code 111, crop production, or code 112, animal**  
11 **production and aquaculture.**

12 **“(2) After making the addition required under ORS 317.344, an eli-**  
13 **gible taxpayer may elect to subtract from federal taxable income a**  
14 **deduction for net operating loss carryback. The amount of a net op-**  
15 **erating loss deduction under this subsection may be carried back to**  
16 **each of the three tax years preceding the tax year in which the loss**  
17 **arises.**

18 **“SECTION 16. ORS 475C.453 is amended to read:**

19 **“475C.453. (1)(a) Except as expressly authorized by this section, the au-**  
20 **thority to impose a tax or fee on the production, processing or sale of**  
21 **marijuana items in this state is vested solely in the Legislative Assembly.**

22 **“(b) Except as expressly authorized by this section, a county, city or other**  
23 **municipal corporation or district may not adopt or enact ordinances impos-**  
24 **ing a tax or fee on the production, processing or sale of marijuana items in**  
25 **this state.**

26 **“(2) Subject to [subsection (4)] subsections (4) and (5) of this section, the**  
27 **governing body of a city or county may adopt an ordinance to be referred**  
28 **to the electors of the city or county as described in subsection (3) of this**  
29 **section that imposes a tax or a fee on the sale of marijuana items that are**  
30 **sold in the area subject to the jurisdiction of the city or the unincorporated**

1 area subject to the jurisdiction of a county by a marijuana retailer that  
2 holds a license issued under ORS 475C.097.

3 “(3) If the governing body of a city or county adopts an ordinance under  
4 this section, the governing body shall refer the measure of the ordinance to  
5 the electors of the city or county for approval at the next statewide general  
6 election.

7 “(4) An ordinance adopted under this section may not impose a tax or fee:

8 “(a) **Except as provided in subsection (5) of this section**, in excess of  
9 three percent; or

10 “(b) On a registry identification cardholder or on a designated primary  
11 caregiver who is purchasing a marijuana item for a registry identification  
12 cardholder.

13 “(5) **The governing body of a city may by ordinance impose a tax**  
14 **or fee not in excess of 10 percent if the city is located in a county that:**

15 “(a) **Is bordered by a neighboring state in which marijuana items**  
16 **may not be lawfully sold; and**

17 “(b) **Has a population exceeding 30,000 in the most recent federal**  
18 **decennial census.**

19 “**SECTION 17. (1) The amendments to ORS 284.368 by section 1 of**  
20 **this 2022 Act apply to fiscal years beginning on or after July 1, 2022.**

21 “(2) **The amendments to sections 3 and 5, chapter 589, Oregon Laws**  
22 **2021, by sections 3 and 4 of this 2022 Act apply to tax years beginning**  
23 **on or after January 1, 2022, and before January 1, 2024, and to esti-**  
24 **imated payments due on and after June 15, 2022.**

25 “(3) **The amendments to section 2, chapter 527, Oregon Laws 2021,**  
26 **by section 8 of this 2022 Act apply to applications for precertification**  
27 **under section 4, chapter 527, Oregon Laws 2021, and applications for**  
28 **exemption under section 5, chapter 527, Oregon Laws 2021, without**  
29 **precertification, filed on or after the effective date of this 2022 Act.**

30 “(4) **Section 10 of this 2022 Act applies to tax years beginning on or**

1 after January 1, 2022, and before January 1, 2026.

2 “(5) Sections 13 and 15 of this 2022 Act apply to tax years beginning  
3 on or after January 1, 2023, and before January 1, 2029, and to any tax  
4 year to which a net operating loss arising in those tax years is carried  
5 back.

6 “(6) The amendments to ORS 475C.453 by section 16 of this 2022 Act  
7 apply to marijuana items produced, processed or sold on or after Jan-  
8 uary 1, 2023.

9 “SECTION 18. The Department of Revenue may not impose any in-  
10 terest or penalty that would otherwise apply to taxes due if the inter-  
11 est or penalty is based on underpayment or underreporting that results  
12 solely from the operation of the amendments to section 5, chapter 589,  
13 Oregon Laws 2021, by section 4 of this 2022 Act.

14 “SECTION 19. (1) Sections 13 and 15 of this 2022 Act do not become  
15 operative unless all sections of chapter \_\_\_\_\_, Oregon Laws 2022 (En-  
16 rolled House Bill 4002), become law before January 1, 2023.

17 “(2) If all sections of chapter \_\_\_\_\_, Oregon Laws 2022 (Enrolled  
18 House Bill 4002), become law before January 1, 2023, sections 13 and  
19 15 of this 2022 Act become operative on the earlier of:

20 “(a) The effective date of chapter \_\_\_\_\_, Oregon Laws 2022 (Enrolled  
21 House Bill 4002); or

22 “(b) January 1, 2023.

23 “SECTION 20. This 2022 Act takes effect on the 91st day after the  
24 date on which the 2022 regular session of the Eighty-first Legislative  
25 Assembly adjourns sine die.”

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