

SB 2 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Meeting Dates: 3/21

WHAT THE MEASURE DOES:

Creates Oregon personal income tax subtraction for amounts received from renting a room in the taxpayer's principal residence. Limits subtraction to \$12,000 per room rented per tax year and requires rent received per room to not exceed \$1,000 for any month. Requires same individual to pay and occupy a rented room for at least three consecutive calendar months during the tax year. Applies to tax years beginning on or after January 1, 2024, and before January 1, 2030. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

All rental income must be reported on a taxpayer's tax return, and in general the associated expenses can be deducted from rental income. Individuals generally must include in their gross income all amounts received as rent. Rental income is any payment received for the use or occupation of property.

Oregon Residential Landlord and Tenant law does not define home sharing agreements, but includes "roomers" as a person occupying a dwelling unit that does not include bathroom or kitchen facilities, and where one or more of these facilities are used in common by occupants in the structure.