

# House Bill 2703

Sponsored by Representative EVANS (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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes a new personal income tax to fund resiliency. (Flesch Readability Score: 64.9).

Imposes a surtax on income tax liability. Transfers the proceeds of the income tax surtax to the Resiliency Grant Fund.

Applies to tax years beginning on or after January 1, 2026.

Takes effect on the 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to an income tax surtax to fund emergency preparedness; prescribing an effective date; and  
3 providing for revenue raising that requires approval by a three-fifths majority.

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

5 **SECTION 1. Sections 2 and 3 of this 2025 Act are added to and made a part of ORS**  
6 **chapter 316.**

7 **SECTION 2. (1) As used in this section, "personal income tax liability" means the total**  
8 **amount of tax imposed under this chapter for the tax year after application of any credits**  
9 **allowable for the tax year but before application of this section.**

10 **(2) In addition to and not in lieu of any other tax, a surtax is imposed on the personal**  
11 **income tax liability of a taxpayer as otherwise determined under this chapter. The surtax**  
12 **shall be \$9 per year per taxpayer, whether filing a joint return or another type of return, for**  
13 **the tax year. This amount shall be prorated based upon the number of complete months**  
14 **worked by the taxpayer during the tax year.**

15 **(3) Notwithstanding subsection (2) of this section, the surtax imposed under this section**  
16 **is waived and is not due for any taxpayer with income below the federal poverty guidelines.**

17 **(4) The surtax imposed under this section is not subject to withholding under ORS 316.162**  
18 **to 316.221. Notwithstanding ORS 316.557 to 316.589, estimated tax payments are not required**  
19 **for the surtax imposed under this section.**

20 **(5) Except as otherwise provided in this section, the surtax imposed under this section**  
21 **must be reported and collected at the same time and in the same manner as personal income**  
22 **taxes imposed under this chapter are reported and collected. The provisions of ORS chapters**  
23 **305 and 314 that apply to audits and examinations of returns, periods of limitation, determi-**  
24 **nations of and notices of deficiencies, assessments, liens, delinquencies, penalties, interest,**  
25 **claims for refunds, conferences, appeals to the Oregon Tax Court, stays of collection pending**  
26 **appeal and the confidentiality of returns also apply to the surtax imposed under this section.**

27 **(6)(a) The surtax under this section shall be imposed on a nonresident in the proportion**  
28 **provided in ORS 316.117.**

**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.

1       **(b) If a change in the status of a taxpayer from resident to nonresident or from nonres-**  
2 **ident to resident occurs, the surtax imposed under this section shall be determined in a**  
3 **manner consistent with ORS 316.117.**

4       **SECTION 3. Notwithstanding ORS 316.502, all moneys received by the Department of**  
5 **Revenue pursuant to section 2 of this 2025 Act, and interest thereon, shall be paid to the**  
6 **State Treasurer to be held in a suspense account established under ORS 293.445. After the**  
7 **payment of refunds, the balance of the moneys received shall be transferred to the Resiliency**  
8 **Grant Fund established in ORS 401.552.**

9       **SECTION 4. Sections 2 and 3 of this 2025 Act apply to tax years beginning on or after**  
10 **January 1, 2026.**

11       **SECTION 5. This 2025 Act takes effect on the 91st day after the date on which the 2025**  
12 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**

13