

House Bill 2847

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 tax subtraction for start-up expenditures. (Flesch Readability Score: 61.3).

Creates a subtraction from taxable income for start-up expenditures.

Applies to tax years beginning on or after January 1, 2026, and before January 1, 2032.

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

A BILL FOR AN ACT

1 Relating to subtractions for start-up expenditures; and prescribing an effective date.

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

3 **SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 316.**

4 **SECTION 2. (1) As used in this section, "start-up expenditure" has the meaning given**
5 **that term in section 195(c) of the Internal Revenue Code.**

6 **(2)(a) A subtraction from federal taxable income shall be allowed under this chapter for**
7 **start-up expenditures of an Oregon trade or business paid or incurred by the taxpayer.**

8 **(b) The amount of the subtraction under this section shall equal 20 percent of the amount**
9 **allowed as a deduction under section 195 of the Internal Revenue Code for the tax year.**

10 **(3) The Department of Revenue shall by rule establish criteria and policies for adminis-**
11 **tering the subtraction allowed under this section.**

12 **SECTION 3. Section 4 of this 2025 Act is added to and made a part of ORS chapter 317.**

13 **SECTION 4. (1) As used in this section, "start-up expenditure" has the meaning given**
14 **that term in section 195(c) of the Internal Revenue Code.**

15 **(2)(a) A subtraction from federal taxable income shall be allowed under this chapter for**
16 **start-up expenditures of an Oregon trade or business paid or incurred by the taxpayer.**

17 **(b) The amount of the subtraction under this section shall equal 20 percent of the amount**
18 **allowed as a deduction under section 195 of the Internal Revenue Code for the tax year.**

19 **(3) The Department of Revenue shall by rule establish criteria and policies for adminis-**
20 **tering the subtraction allowed under this section.**

21 **SECTION 5. Sections 2 and 4 of this 2025 Act apply to tax years beginning on or after**
22 **January 1, 2026, and before January 1, 2032.**

23 **SECTION 6. This 2025 Act takes effect on the 91st day after the date on which the 2025**
24 **regular session of the Eighty-third 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.