

Senate Bill 101

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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 extends date by which one must open first-time home buyer savings account in order to claim tax benefits. (Flesch Readability Score: 63.8).

Extends the date by which an account holder must open a first-time home buyer savings account in order to claim a subtraction for contributed funds or an exemption for earnings. Extends the sunset for the use of the subtraction and exemption.

A BILL FOR AN ACT

1
2 Relating to first-time home buyer savings accounts; amending ORS 316.798 and section 9, chapter
3 109, Oregon Laws 2018.

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

5 **SECTION 1.** ORS 316.798 is amended to read:

6 316.798. (1) Subject to ORS 316.800, and in addition to the other modifications to federal taxable
7 income contained in this chapter, there shall be subtracted from federal taxable income the amount
8 of funds contributed by an account holder to the account holder's first-time home buyer savings
9 account during the tax year, not to exceed \$5,000 for an account holder who files an individual in-
10 come tax return or \$10,000 for joint account holders who file a joint income tax return.

11 (2) Earnings, including interest and other income, on the principal in the account during the tax
12 year are exempt from taxation until withdrawn by the taxpayer, subject to subsection (3) of this
13 section.

14 (3) An account holder may claim the subtraction and exemption under subsections (1) and (2)
15 of this section:

16 (a) For contributions made into a first-time home buyer savings account opened before January
17 1, [2027] **2032**;

18 (b) For a period not to exceed 10 years from the date the account holder first opens any first-
19 time home buyer savings account; and

20 (c) For an aggregate total amount of principal and earnings not to exceed \$50,000 during the
21 10-year period.

22 (4) A person other than the account holder who deposits funds in a first-time home buyer savings
23 account is not entitled to the subtraction and exemption provided for in this section.

24 **SECTION 2.** Section 9, chapter 109, Oregon Laws 2018, is amended to read:

25 **Sec. 9.** [Sections 2 to 8 of this 2018 Act] **ORS 316.796 to 316.803** apply to tax years beginning
26 on or after January 1, 2019, and before January 1, [2037] **2042**.

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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.