Senate Bill 1081

Sponsored by Senator ANDERSON

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 says that a taxpayer with income equal to or less than 120 percent of the state median income does not pay state income tax. (Flesch Readability Score: 60.0).

Exempts from Oregon personal income taxation a taxpayer with Oregon adjusted gross income that is equal to or less than 120 percent of the median Oregon adjusted gross income.

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
2 Relating to exempting taxpayers with certain incomes from personal income tax; and prescribing an
3   effective date.
4 **Be It Enacted by the People of the State of Oregon:**
5   **SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 316.**
6   **SECTION 2. A taxpayer shall be exempt from the tax imposed under this chapter if the**
7 **taxpayer has Oregon adjusted gross income that is equal to or less than 120 percent of the**
8 **median Oregon adjusted gross income for all taxpayers filing the type of return filed, as de-**
9 **termined by the Department of Revenue for tax years ending in the immediately preceding**
10 **calendar year.**
11   **SECTION 3. Section 2 of this 2025 Act applies to tax years beginning on or after January**
12 **1, 2026, and before January 1, 2032.**
13   **SECTION 4. This 2025 Act takes effect on the 91st day after the date on which the 2025**
14 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**
15   —————————