

# Senate Bill 561

Sponsored by Senator ANDERSON (Presession 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 child care expenses. (Flesch Readability Score: 80.3).

Creates an Oregon personal income tax subtraction for child care expenses paid by a taxpayer during the tax year.

Applies to tax years beginning on or after January 1, 2025, and before January 1, 2031.

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

## A BILL FOR AN ACT

1  
2 Relating to income tax subtractions for child care expenses; and prescribing an effective date.

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

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

5 **SECTION 2. (1) As used in this section:**

6 (a) **"Child care expenses" has the meaning given that term in ORS 315.262.**

7 (b) **"Qualifying child" has the meaning given that term in section 152(c) of the Internal**  
8 **Revenue Code.**

9 (2) **There shall be subtracted from federal taxable income any amount of child care ex-**  
10 **penses paid by a taxpayer for care of a qualifying child during the tax year.**

11 (3) **A subtraction may not be allowed under this section for any amount that for the tax**  
12 **year is:**

13 (a) **Allowed as a credit under ORS 315.262; or**

14 (b) **Taken into account as a deduction on the taxpayer's federal income tax return.**

15 **SECTION 3. Section 2 of this 2025 Act applies to amounts paid in tax years beginning on**  
16 **or after January 1, 2025, and before January 1, 2031.**

17 **SECTION 4. This 2025 Act takes effect on the 91st day after the date on which the 2025**  
18 **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.